NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS OF SAH POLYMERS LIMITED ("TRANSFEREE COMPANY/APPLICANT COMPANY NO. 2") PURSUANT TO THE DIRECTIONS OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, JAIPUR BENCH

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**Meeting Details**

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| Day of Unsecured Creditors Meeting | Monday |
| Date of Unsecured Creditors Meeting | 30th December, 2024 |
| Time of Meeting | 12:00 Noon |
| Remote E-voting Commence Date & Time | 27th December, 2024 |
| Remote E-voting End Date & Time | 29th December, 2024 |

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**FORM NO. CAA2**

**[Pursuant to Section 230 (3) of the Companies Act, 2013 and rules 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]**

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**
**JAIPUR BENCH,**

**IN THE MATTER OF SECTIONS 230-232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013**

**AND**
**IN THE MATTER OF SCHEME OF AMALGAMATION**
**OF**

**FIBCORP POLYWEAVE PRIVATE LIMITED**

**.....TRANSFEROR COMPANY/APPLICANT COMPANY NO.1**

**AND**

**SAH POLYMERS LIMITED**

**.....TRANSFEREE COMPANY/ APPLICANT COMPANY NO. 2**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS**

**COMPANY APPLICATION NO. C.A. (CAA)/7/JPR/2024**

**NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS OF SAH POLYMERS LIMITED ("TRANSFEREE COMPANY/APPLICANT COMPANY NO. 2.")**

To,
The Unsecured Creditors of
SAH POLYMERS LIMITED,

Notice is hereby given that by an order dated the 06th November, 2024 and subsequent amendment Order dated 11th November, 2024 (enclosed herewith as **Annexure-24**) the Hon'ble National Company Law Tribunal, Bench at Jaipur **("NCLT")** has directed a meeting to be held of the unsecured creditors of **SAH POLYMERS LIMITED** for the purpose of considering, and if thought fit, approving with or without modification, the arrangement embodied in the Scheme of Amalgamation between the said FIBCORP POLYWEAVE PRIVATE LIMITED ("Transferor Company/Applicant company No. 1") with SAH POLYMERS LIMTED ("Transferee Company/Applicant company no. 2.") and between their respective shareholders **("Scheme").**

In pursuance of the said order and as directed therein further notice is hereby given that a meeting of unsecured creditors of the said company will be held at on Monday, the 30th day of December, 2024 at 12:00 Noon through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), in compliance with the applicable provisions of the Companies Act, 2013 ("Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with applicable Circulars issued in this behalf, to consider, and if thought fit, to approve, with or without modification(s), the following resolution with requisite majority:

"**RESOLVED THAT** pursuant to the provisions of section 230 to 232, and other applicable provisions , if any ("Companies Act") read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other rules made thereunder (including any statutory modification(s) or re-enactment(s) or amendment(s) thereof for the time being in force), as maybe applicable, Section 2(1B) read with any other applicable provisions of the Income Tax Act, 1961 (as amended) **("IT Act"),** and other applicable laws, including regulations issued by Securities and Exchange Board of India ("SEBI"), inter alia including applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')the Securities and Exchange Board of India Circular No. CFD/DIL3/CIR/2017/21 dated 10th March,, 2017 and the observation letters issued by the BSE Limited dated 16.07.2024 and the National Stock Exchange Limited dated 18.07.2024 and the relevant provisions of Memorandum of Association and Articles of Association of the Company and other applicable laws, rules, regulations, bye-laws as the case may be and subject to the approval of Hon'ble National Company Law Tribunal, Jaipur Bench **("NCLT")** and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as **Board**"), the scheme of amalgamation of Fibcorp Polyweave Private Limited, a Subsidiary of the Company ('Transferor Company') into and with the Company ('Transferee Company'), (hereinafter referred to as 'the Scheme') placed before the meeting and initialed by the Chairman of the meeting for the purpose of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any which may be required and/or imposed by the NCLT while sanctioning the scheme of amalgamation, or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."

**TAKE FURTHER NOTICE that:**

1. Pursuant to the NCLT Order and in compliance with the Relevant Circulars, this Meeting is held through VC/ OAVM. Therefore, the physical attendance of the unsecured creditors has been dispensed with. Accordingly, voting by unsecured creditors of the Amalgamated Company to the resolution contained in notice shall be carried out only (a) through e-voting system available during the Meeting and (b) by remote e-voting during the period as below:

| | |
|---|---|
| **Commencement of remote e-voting period** | 27th December, 2024 |
| **End of remote e-voting period** | 29th December, 2024 |

2. The NCLT has appointed Mr. Anurag Kalavatiya as the Chairperson of the Meeting including for any adjournment thereof.

3. The NCLT has appointed Mr. Vikram Saraf as the scrutinizer of the Meeting.

4. The quorum of the Meeting of the unsecured creditors of the Amalgamated Company shall be 33 % (Thirty Three percent) of the total value of unsecured creditors. In case the said quorum is not present at the Meeting, then the Meeting shall be adjourned by half an hour, and thereafter the creditors present shall be deemed to constitute the quorum.

5. "**Requisite Majority**" - Scheme shall be considered approved by the unsecured creditors of the Amalgamated Company if the resolution mentioned in the Notice has been approved by majority of persons representing three-fourth in value of the unsecured creditors through remote e-voting and e-voting during the Meeting, in terms of the provisions of Sections 230 to 232 of the Companies Act.

6. The Scheme, if approved by the unsecured creditors at the Meeting, will be subject to the subsequent approval of NCLT and other approvals, permissions and sanctions of statutory or regulatory or other authorities, as may be required

7. Copies of the scheme of amalgamation, and of the statement under section 102 containing material facts under 230-232 read with rule 6 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other accompanying documents as indicated in the Index are enclosed as a part of Notice and can also be obtained free of charge from the Registered Office of the Sah Polymers Limited at E-260-261 Mewar, Industrial Area, Madri Udaipur (Rajasthan) on all days except Sunday and public holidays up to the date of the Meeting.

**Registered office:**
**E-260-261, Mewar Industrial Area,**
**Madri Udaipur: 313003**
**Dated: 27.11.2024**

**For SAH POLYMERS LIMITED**

**Sd/-**
**Chairperson appointed for the Meeting of Unsecured Creditors**

**Notes:**

1. A Statement under Section 102 of the Companies Act, 2013 ("Act") along with applicable rules thereunder and provisions of Sections 230, 232 read with Section 234 of the Companies Act, 2013 setting out material facts forms part of this Notice.
2. The notice is being sent through registered post or speed post or courier or electronic mode as me be suitable to deliver the same to the unsecured creditors whose postal addressed/email addresses are registered with the Company.

   Unsecured Creditors may note that Notice will also be available on Company's website.

3. Pursuant to the provision of the act, since the Meeting is being held pursuant to NCLT Order and Relevant Circulars through VC/ OAVM, physical attendance of the unsecured creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the unsecured creditors as directed in the NCLT Order, will not be available for the Meeting, and hence the Proxy Form, Attendance Slip and Route Map are not annexed hereto.

4. Unsecured Creditors intending to send their authorized representatives to attend the Meeting on their behalf and cast their votes are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

5. Unsecured Creditors desiring any information mentioned in the Notice and accompanying statement shall be available for inspection at the Registered Office of the Company.

6. A person, whose name is recorded in the list of unsecured creditors maintained by the Company as on the cut-off date i.e. 30th September 2024 only shall be entitled to avail the remote e-voting facility as well as voting in the said meeting.

7. The resolution shall be deemed to be passed on the date of the meeting i.e. 30th December, 2024 subject to the receipt of the requisite number of votes cast in favour of the resolution.

8. Pursuant to Rule 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, the advertisement of the notice convening the aforesaid meeting and information on e-voting will be published in Business Standard in English language Edition and Business Standard in Hindi language Edition dated 28th November, 2024.

9. The Chairman shall at the Meeting, at the end of the discussion on the resolutions on which voting is to be held allow voting with the assistance of scrutinizer, through remote e-voting facility. Further, The Scrutinizer shall, immediately after the conclusion of the Meeting will first count the votes cast through remote e-voting and count the vote at the meeting.

10. The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company at www.sahpolymers.com and on the website of CDSL at www.evotingindia.com immediately after the declaration of Result by the Chairman or any person authorized by him in writing. The Results shall also be forwarded to the Stock Exchange(s) where the shares of Company are listed, i.e., BSE Limited, National Stock Exchange of India.

11. **Procedure and instructions for remote e-voting:**

I. In compliance with provisions of Rule-13 of The Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions the Company is pleased to provide unsecured creditors facility to exercise their right to vote on resolutions proposed to be considered.

**II. The remote e-voting commences from Friday, 27th December, 2024 at 09:00 A.M. and ends on Sunday, 29th December, 2024 at 05:00 P.M.**

III. The facility of casting the votes by the unsecured creditors using an electronic voting system ('remote e-voting') will be provided by Central Depositories Services India Limited (CDSL).

IV. Instructions for Remote Electronic Voting (E-Voting) prior to the said meeting date:

a) Voters should log on to the e-voting website www.evotingindia.com during the voting period.

b) Click on Members.

c) Enter your User ID as XXXXXXXXXX. *(as provided by CDSL)*

d) Next enter the Image Verification as displayed and Click on Login.

e) Enter your password as XXXXXXXX. *(as provided by CDSL)*

f) After entering these details appropriately, click on "SUBMIT" tab.

g) Select the EVSN of <<Company name as registered in the e-Voting system (www.evotingindia.com)>> on which you choose to vote.

h) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

i) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

j) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

k) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

l) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

**FORM NO. CAA2**

**[Pursuant to Section 230 (3) of the Companies Act, 2013 and rules 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]**

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**
**JAIPUR BENCH,**

**IN THE MATTER OF SECTIONS 230-232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013**

**AND**
**IN THE MATTER OF SCHEME OF AMALGAMATION**
**OF**

**FIBCORP POLYWEAVE PRIVATE LIMITED**

**.....TRANSFEROR COMPANY/APPLICANT COMPANY NO.1**

**AND**

**SAH POLYMERS LIMITED**

**.....TRANSFEREE COMPANY/ APPLICANT COMPANY NO. 2**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS**

**COMPANY APPLICATION NO. C.A.(CAA)/7/JPR/2024**

Statement Under Section 102 read with 230 To 232 And Other Applicable Provisions Of The Companies Act, 2013 ("Act") And Rule 6(v) Of The Companies (Compromises, Arrangements And Amalgamations) Rules, 2016, SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), Accompanying The Notice Convening The Meeting Of The Unsecured Creditors Of Sah Polymers Limited ("Transferee Company/Applicant company no. 2."),Pursuant To The Orders Of The Hon'ble National Company Law Tribunal, Jaipur Bench, Order Dated 06th November, 2024 and 11th November, 2024

1. This Statement explaining the terms of the Scheme of Amalgamation is being furnished pursuant to Section 102 as required under section 230 to 232 and 102 of the Companies Act, 2013 ("Act") read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("Rules") ("Explanatory Statement") accompanying the Notice convening the meeting of the Unsecured Creditors ("Unsecured Creditors")("Notice") of the SAH POLYMERS LIMITED ("Transferee Company/Applicant company no. 2.").

2. The terms used in this Statement but which are not defined herein shall have the same meaning as defined in the Scheme unless otherwise stated.

**A. Details of the order of the Tribunal directing the calling, convening and conducting of the meeting:**

Pursuant to the Order dated 06th November, 2024 and subsequent amendment Order dated 11th November, 2024 passed by the Hon'ble National Company Law Tribunal, Jaipur Bench ("NCLT" or "Hon'ble Tribunal") in the Company Scheme Application C.A.(CAA) No 7 of 2024, directing for convening the meeting of unsecured creditors, on Monday, 30th day of December, 2024 at 12:00 Noon (IST) through VC/OAVM means deemed to be held at Registered Office of the Company at E-260-261 Mewar Industrial area, Madri Udaipur, Rajasthan -313003, for the purpose of considering and, if thought fit, approving with or without modification(s), the Scheme of Amalgamation FIBCORP POLYWEAVE PRIVATE LIMITED ("Transferor Company/Applicant company No. 1") with SAH POLYMERS LIMTED ("Transferee Company/Applicant company no. 2.") (the "Scheme of Amalgamation" or "Scheme") pursuant to Sections 230 to 232 of the Act, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modifications (s),or re-enactment thereof, for the time being in force), applicable general circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations) read with SEBI master circular if any, other applicable circulars issued by SEBI. A copy of the Scheme, which has been inter-alia, approved by the Board of Directors of the Company at their meeting held on 18.10.2023 is enclosed herewith as **Annexure No. 1.**

**B. Parties Involved in Scheme of Amalgamation:**

**Details of the Transferor Company: Fibcorp Polyweave Private Limited**

i. Fibcorp Polyweave Private Limited having Corporate Identification Numbers U1730RJ2017PTC058691 (hereinafter referred to as "the Transferor Company / Applicant Company No. 1") was incorporated under the provisions of the Companies Act, 2013 on 31st July, 2017 as a Private Limited Company with the Registrar of Companies, Jaipur and in this regard, a fresh certificate of incorporation was issued by Registrar of Companies, Jaipur Rajasthan is enclosed as **Annexure No. 2**. There has been no change in the name of the Transferor Company since the Incorporation of the Company. The e-mail address of the Company is info@fibcorp.in

ii. The securities of the Transferor Company is not listed on Stock Exchange.

iii. The Permanent Account Number of the Transferor Company: AADCF1666R.

iv. The registered office of the Company is situated at E 260-261, Mewar Industrial area Madri, Udaipur-313003, Rajasthan. The company registered office has been changed from 9-10 B Saheli Marg Udaipur - 313001 to E 260-261, Mewar Industrial Area, Madri, Udaipur – 313003 w.e.f 01st July, 2022 and thereafter there has been no change in the registered office of the company.

v. The objects for which the Transferor Company has been established are set out in its Memorandum of Association is enclosed herewith as **Annexure No. 2** and the summary of the main object of the Transferor Company/ Applicant Company No. 1 is the company is engaged

in the business of manufacturing of Flexible Intermediate Bulk containers (FIBC), HDPE/PP fabrics and sacks etc.

vi. There has been changes in the object clause of the memorandum of association with the effect from 25th April, 2024 as mentioned in the Note of the Memorandum of Association as enclosed above.

vii. As on the date of Notice , the Authorized, Issued, Subscribed and Paid-up share capital of the Transferor company are:

| **Details of Capital Structure** | **Amount (₹)** |
|---|---|
| Authorized Share Capital: | |
| 72,000 Equity Shares of ₹. 100/- each | 72,00,000 |
| **Total** | **72,00,000** |
| Issued, Subscribed and Paid-up Share Capital | |
| 66,430 Equity Shares of ₹ 100/- each | 66,43,000 |
| **Total** | **66,43,000** |

viii. As on the date of this Notice, the name of the Board of Directors & Promoters along with their addresses are as follows:

DIRECTORS:

| **Sr No.** | **Name of the director** | **Designation** | **Address** | **No. of Shares Held** |
|---|---|---|---|---|
| 1. | Murtaza Ali Moti | Director (DIN: 07876224) | Memuna Villa, 9-10 B Saheli Nagar, Near Orbit Apartment, Girwa, Udaipur 313001 RJ IN | 28,046 |
| 2. | Fatima Moti | Director (DIN: 07876195) | 9-10 B Saheli Nagar, Near Orbit Apartment, Girwa, Udaipur 313001 RJ IN | 4,500 |
| 3. | Harikant Ganeshlal Turgalia | Director (DIN: 00049544) | Flat no 803 8TH Floor I Wing, Bhoomi Park Phase 5 CHS Ltd, Jankalyan Nagar, near Billa Bong School, Malad, West Mumbai, Suburban, Maharashtra, 400095 | NIL |
| 4. | Sanjay Suthar | Director (DIN: 07777202) | Jhadol, Falasiya, Kolyari, Udaipur, Rajasthan 313701 | NIL |

PROMOTORS:

| Sr. No. | Name of the Promotor | Address | No. of shares Held |
|---|---|---|---|
| 1 | Sah Polymers Limited | E-260-261, Mewar Industrial Area, Madri, Udaipur (Raj.) | 33,884 |

**Details of the Transferee Company: Sah Polymers Limited**

i. Sah Polymers Limited having Corporate Identification Number (CIN) L24201RJ1992PLC006657 (hereinafter referred to as "the Transferee Company / Applicant Company No. 2") was incorporated under the provisions of the Companies Act, 1956 on 20th April, 1992 as a Public Limited Company under the name and style of "**Peacock Continental Limited**" with the Registrar of Companies, Jaipur. Thereafter, the name of Transferee Company was changed to its present name i.e. "**Sah Polymers Limited**" and in this regard, a fresh certificate of incorporation was issued by Registrar of Companies, Jaipur Rajasthan on 24th July 1998 is enclosed herewith as **Annexure No. 3**. There has been no change in the name of the Transferee Company in the last five (5) years. The e-mail address of the Transferee Company is info@sahpolymers.com.

ii. The equity shares of the Transferee Company are listed on BSE Limited and National Stock Exchange of India Limited.

iii. The Permanent Account Number of the Transferee Company is AAFCS6813H.

iv. The registered office of the Company is situated at E 260-261, Mewar Industrial rea Madri, Udaipur-313003, Rajasthan, within the jurisdiction of this Hon'ble Tribunal. There has been no change in the registered office address of the Transferee Company in last five (5) years.

v. The objects for which the Transferee Company has been established are set out in its Memorandum of Association is enclosed herewith as **Annexure No. 3** and one of the main object of the Transferee Company is engaged in the business of in manufacturing and selling of Polypropylene (PP)/ High Density Polyethylene (HDPE) FIBC Bags, Woven Sacks, HDPE/PP woven fabrics, woven polymer based products of different weight, sizes and colours as per customers specification. The Transferee Company offers vide range of bags of different sizes for varied applications. The Transferee Company is a Del Credere Associate cum Consignment Stockist (DCA/ CS) of Indian Oil Corporation Limited and also operates as Dealer Operated Polymer Warehouse (DOPW) of Indian Oil Corporation Limited for their polymer division. There has been no change in the objects of the Transferee Company during the last five years.

vi. The Authorised, Issued, Subscribed and Paid-up Share Capital as on 31st March ,2024 are as follows:

| Details of Capital Structure | Amount (₹) |
|---|---|
| Authorized Share Capital | |
| 3,00,00,000 Equity Shares of ₹. 10/- each | 30,00,00,000 |

| | |
|---|---|
| **Total** | **30,00,00,000** |
| Issued, Subscribed and Paid-up Share Capital | |
| 2,57,96,000 Equity Shares of ₹ 10/- each | 25,79,60,000 |
| **Total** | **25,79,60,000** |

ix. As on the date of this Notice, the name of the Board of Directors & Promoters along with their addresses are as follows:

DIRECTORS:

| Sr No. | Name of the director | Designation | Address | No. of Shares Held |
|---|---|---|---|---|
| 1. | Hakim Sadiq Ali Tidiwala | Whole-time Director (DIN: 00119156) | 30, Kharol Colony, Fatehpura, Udaipur (Raj.) | NIL |
| 2. | Asad Daud | Director (DIN:02491539) | 303, Aashiana, 3 Gunpowder Lane, Mazgaon, Mumbai, Maharashtra | NIL |
| 3. | Murtaza Ali Moti | Whole-time Directors (DIN: 07876224) | Memuna Villa, 9-10 B Saheli Nagar, Near Orbit Apartment, Girwa, Udaipur ,313001 Rajasthan | NIL |
| 4. | Ramesh Chandra Soni | Independent Director (DIN:00049497) | 29, Chhoti Maheshwari Street, Dhanmandi, Udaipur, Rajasthan | NIL |
| 5. | Sanjay Suthar | Independent Director (DIN: 07777202) | Jhadol, Falasiya, Kolyari, Udaipur, Rajasthan, 313701 | NIL |
| 6. | Nikhil Khanderao Raut | Independent Director (DIN: 06653335 | Kamal Niwas, Near Municipal School, Penkar Pada, Mira Road East, Mira-Bhayander, Thane. Maharashtra | NIL |
| 7. | Asha Jain | Independent Director (DIN:00218335) | H.No. 10A, Ambamata Scheme, Amba Mata, Shastri Circle , Udaipur Rajasthan | NIL |

PROMOTORS:

| Name of the Promotors /Promotor Group | Addresses | No. of equity shares held |
|---|---|---|
| SAT Industries Limited (Promotor) | 121, B-Wing, Mittal Tower, Nariman Point , Mumbai, Maharashtra, India - 400021. | 14316000 |
| SAT Invest Private Limited (Promotor Group) | 121, Floor-12th, Plot-210, B Wing, Mittal Tower, Free Press Journal | 1280000 |

| | | |
|---|---|---|
| | Marg, Nariman Point , Mumbai, Maharashtra, India - 400021. | |

**C. Scheme of Amalgamation:**

The Scheme was placed before the Audit Committee and Committee of Independent Directors of the Company at their respective meetings held on 25.09.2023 & 18.10.2023. On the basis of their respective evaluation and consideration of the valuation report dated 25.09.2023 & addendum to the Valuation Report dated 18.10.2024 issued by Mahesh Mandowara, Registered Valuers (SFA) (with IBBI Registration No. IBBI/RV/06/2020/13459) ("**Valuation Report**"), enclosed as **Annexure No. 4**, the fairness opinion dated 25.09.2023 issued by Kunvarji Finstock Private Limited, a SEBI registered Category I Merchant Banker, (SEBI Registration No. INM000012564) ("**Fairness Opinion Report**") is enclosed as **Annexure No. 5**, the certificates dated 25.09.2023 , issued by H.R. Jain & Company , Chartered Accountants (Firm Registration No. 000262C), the statutory auditors of the Company , to the effect that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act, enclosed as **Annexure No. 6** (hereinafter referred to as ("**Auditors' Certificate on accounting treatment**"), and the pricing certificate dated 25.09.2023, issued by H.R. Jain & Company , Chartered Accountants (Firm Registration No. 000262C), the statutory auditors of the Company certifying, the pricing requirements of regulation 164 (1) Chapter V of SEBI (ICDR) Regulations 2018 enclosed as **Annexure No. 7** (hereinafter referred to as "**Pricing Certificate**"), the Audit Committee and the Committee of Independent Directors in their respective reports, enclosed as **Annexure No. 8** and **Annexure No. 9** respectively, recommended the Scheme to the Board (as defined below).

The Scheme of Amalgamation, inter alia, provides for the following:

1. Amalgamation of Fibcorp Polyweave Private Limited ("Transferor Company") with and into Sah Polymers Limited ("Transferee Company") in accordance with Section 2(1B) and other relevant provisions of the Income Tax Act, 1961 ("Amalgamation");
2. The Effective date of the Scheme of Amalgamation is 1st April, 2023 ("Appointed Date");
3. Upon the scheme become effective, the Transferor Company together with all present and future assets and liabilities, shall stand transferred to and vest in the Transferee Company, as a going concern, and the Transferee Company will issue 494 (Four hundred ninety four) fully paid up equity shares of INR 10/- (Rupee Ten) each of the Transferee Company to the equity shareholders of the Transferor Company (other than the Transferee Company in respect of its shareholding in Transferor Company) as on the record date for every 10 (Ten) fully paid up equity share of INR 100/- (Indian Rupees Hundred) each held by such equity shareholders of the Transferor Company ("Share Exchange Ratio");
4. Consequent to the dissolution, the Transferor Company shall stand dissolved without being wound-up and ;
5. with effect from the Appointed Date, the Transferee Company shall account for the amalgamation of Transferor Company with the Transferee Company in its books of account as per the 'Pooling Interest Method' in accordance with accounting principles as laid down in the Indian Accounting Standard 103 (Business Combinations), notified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015.

**D. Summary of Valuation report and Fairness opinion report including basis of valuation and opinion of the registered valuer:**

The valuation Report dated 25.09.2023 and Addendum to the Valuation report dated 18.10.2024 has describing inter alia the Computation of and the methodology adopted by them in arriving at the Equity Share Exchange Ratio for the proposed amalgamation. The Valuer have considered the Market Price Approach, Income Approach (Discounted Cash flow Method "DCF") and the Cost Approach (Net Asset Value Approach Method "NAV"), for determining the relative value of the Equity shares of the Applicant companies in order to arrive at the recommended Equity Share exchange ratio in connection with the proposed Scheme of amalgamation.

The valuation methods used by the Valuer and the per share values determined by them are explained in the Valuation report as enclosed. However, considering the nature of the transactions contemplated in the Scheme, the valuers after analyzing the various approach are of the opinion that NAV and DCF methods are of no weightage of relevance and have based their valuation on Market Price Approach methods assigning appropriate weightage.

Fairness Opinion Report dated 25.09.2023 issued, for providing the fairness opinion on the Share Exchange Ratio for the proposed amalgamation recommended by Valuer .In this regard the report has confirmed the fairness of the Share Exchange ratio in connection with the proposed scheme, as recommended in the valuation report.

**E. Detail of capital and debt restructuring:**

There shall be no capital and debt restructuring pursuant to the proposed scheme of amalgamation.

**F. Rationale for the Compromise and arrangement as perceived by the Board of the Directors:**

Commercial rationale for amalgamation of the Transferor Company with the Transferee Company are as follows

- The Transferor Company is a subsidiary of the Transferee Company and is under the management of the Transferee Company.
- The Transferor Company and the Transferee Company are engaged in the business of manufacture and sale of Flexible Intermediate Bulk containers (FIBC), HDPE/PP fabrics and sacks etc. The amalgamation will ensure focused management in the combined entity thereby resulting in efficiency of management and maximizing value for the shareholders. Such restructuring will lead to simplification of group structure by eliminating multiple companies in similar business.
- The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with the terms of this Scheme would enable both the Companies to realize benefits of greater synergies between their businesses, yield beneficial results and pool financial resources as well as managerial, technical, distribution and marketing resources of each other in the interest of maximizing value to their Shareholders and the Stakeholders.

**G. Benefits for the Compromise and arrangement as perceived by the Board of the Directors:**

Amalgamation of the Transferor Company with the Transferee Company envisaged by the Scheme would result in following Synergies

- Operational integration and better facility utilisation
- Efficient raw material procurement and reduced procurement costs
- Operational Efficiencies
- Rationalization of Procurement & Logistics costs
- Enhancing Value in Marketing
- Improving Customer Satisfaction and Services
- Improved safety, environment and sustainability practices
- Increased coverage of plant automation

Note: The aforesaid are only the salient features of the Scheme. Unsecured Creditors are requested to read the entire text of the Scheme annexed hereto for acquainted with the entire provisions thereof.

**H. Amount due to Unsecured Creditors of the parties involved in the Scheme:**

As on 30th September, 2024, the Fibcorp Polyweave Private Limited ("Transferor Company") has Unsecured Creditor of the sum amounting to ₹ 4,27,63,846.42/- i.e. Indian Rupees Four crore Twenty Seven Lakh Sixty Three Thousand Eight Hundred Forty Six and Forty Two Paise.

As on 30th September, 2024, the Sah Polymers Limited ("Transferee Company") has Unsecured Creditor of the sum amounting to ₹ 11,89,16,162.36/- i.e Indian Rupees Eleven Crore Eighty Nine Lakh Sixteen Thousand One Hundred Sixty Two And Thirty-Six Paise.

**I. The fact and details of any relationship subsisting between such companies who are parties to such scheme of compromise or arrangement:**

The Fibcorp Polyweave Private Limited ("Transferor company") is the subsidiary company of the Sah Polymers Limited ("Transferee Company"). The Sah Polymers Limited acquired 33,884 equity shares aggregating to 51.01% of paid-up capital of the Fibcorp Polyweave Private on January 05, 2022.

**J. Board Approval:**

- **Transferee Company: SAH POLYMERS LIMITED**

The Board of Directors of Transferee Company has unanimously approved the Scheme at its meeting held on 25th September, 2024 and 18th October 2024. Details of the directors who voted on the Resolution are as follows:

| S. No. | Name of Director | Voted in favour | Voted in against | Absent/Did not vote |
|---|---|---|---|---|
| 1 | Hakim Sadiq Ali Tidiwala | Voted | - | - |

| | | | | |
|---|---|---|---|---|
| 2 | Asad Daud | | - | Absent |
| 3 | Murtaza Ali Moti | Voted | - | - |
| 4 | Ramesh Chandra Soni | Voted | - | - |
| 5 | Sanjay Suthar | Voted | - | - |
| 6. | Nikhil Khanderao Raut | | - | Absent |
| 7. | Asha Jain | Voted | - | |

- **Transferor Company: FIBCORP POLYWEAVE PRIVATE LIMITED**

The Board of Directors of Transferee Company has unanimously approved the Scheme at its meeting held on 25th September, 2024 and 18th October 2024. Details of the directors who voted on the Resolution are as follows:

| S. No. | Name of Director | Voted in favour | Voted in against | Absent/Did not vote |
|---|---|---|---|---|
| 1 | Murtaza Ali Moti | Voted | - | - |
| 2 | Fatima Moti | Voted | - | - |
| 3 | Harikant Ganeshlal Turgalia | Voted | - | - |
| 4 | Sanjay Suthar | Voted | - | - |

**K. Disclosure about the effect of the compromise or arrangement on Directors, KMPs, the Promote, Non-Promoter, Depositors, Creditors, Debenture holders, Debenture Trustees, employees of the Company:**

| S.No. | Stakeholder | Effect of the Compromise & Arrangement |
|---|---|---|
| 1 | Promoter Shareholders | The effect of the Scheme on the shareholders, promoters, non-promoter shareholders, and key managerial personnel of the Company has been set out in the report adopted by the board of directors of Company pursuant to the provisions of Section 232(2)(c) of the Act which is attached as Annexure 2.3 of the Report adopted by the Board annexed herewith as Annexure 10A and 10B. |
| 2 | Non-Promoter Shareholders | |
| 3 | Key Managerial Personnel | |
| 4 | Creditors | All the liabilities of the Amalgamating Company, immediately before the amalgamation, shall become the liabilities of the Amalgamated Company, by virtue of the Scheme of Amalgamation, with effect from the Appointed Date.<br><br>The present Scheme inter alia includes the amalgamation between FPPL and the Company and is in no manner prejudicial to the interests of the creditors of the Amalgamated Company |
| 5 | Directors | The Scheme will have no effect on the existing Directors of SPL. The composition of the board of directors of the SPL may change by appointments, retirements or resignations in accordance with the provisions of the Act, Listing Regulations, Memorandum of Association and Articles of Association of SPL. The Scheme will have no effect on the |

| | | |
|---|---|---|
| | | existing Directors of SPL. The composition of the board of directors of the SPL may change by appointments, retirements or resignations in accordance with the provisions of the Act, Listing Regulations, Memorandum of Association and Articles of Association of SPL |
| 6 | Depositors | There are no depositors. Hence this is not applicable. |
| 7 | Debenture holders | There are no debenture holders in SPL. Hence this is not applicable. |
| 8 | Debenture trustee | There are no deposit trustee or debenture trustee in SPL. Hence this is not applicable. |
| 9 | Employees | There will be no adverse effect of the Scheme on the employees of SPL. |

**L. Disclosure about the effect of the compromise or arrangement on Material Interest of Directors, KMPs, and Debenture Trustees of the Company:**

The Scheme is not expected to have any effect on the Directors and KMPs of the Company or on their material interests in the Company except to the extent of the equity shares held (if any) by them or their relatives in the Company. Further, no change in the Board is envisaged on account of the Scheme.

**M. List of Ongoing adjudication, Investigation or recovery proceedings, prosecution Initiated and all other enforcement action taken , if any, against the company , its promoters and directors under the Act:**

The details pertaining to the same have been annexed as Annexure 13.

**N. The Pre-Scheme and Post-Scheme Shareholding Patterns of Transferee Company**:

The pre-Scheme and post-Scheme shareholding patterns of the Sah Polymers Limited is enclosed as **Annexure No: 14.**

**O. Details of the availability of the following documents for obtaining extract from or for making or obtaining copies of or for inspection by the members and creditors, namely:**

The following documents will be available for obtaining extract from or for making or obtaining copies of or for inspection by the members and creditors at company registered office at E-260-261 Mewar Industrial Area, Madri Udaipur, Rajasthan -313003 between Monday to Friday from 10:00 a.m. to 05:00 p.m. on any working day (except Saturdays, Sundays and public holidays) up to the date of the Meeting:

(a) Certified copy of the Orders dated 06th November, 2024 and further amendment Order dated 11th November, 2024 passed by the Hon'ble National Company Law Tribunal, Jaipur Bench, in the Company Scheme Application C.A. (CAA) No. 7, of 2024 , directing *inter alia* the calling, convening and conducting of the meeting of equity shareholders of the Company and granting

dispensation of secured creditors' and calling, convening and conducting of the meeting of unsecured creditors' meetings;

(b) Copies of the observation letters dated July 16 , 2023 issued by BSE Limited and July 18, 2023 issued by National Stock Exchange of India Limited ;

(c) Copies of the Memorandum of Association along with Certificate of Incorporation of the Compamies;

(d) Certified Copy of the Scheme of Arrangement between Fibcorp Polyweave Private Limited and Sah Polymers Limited and its shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013;

(e) Audited Financial Statements of the Transferee Company including consolidated financial statements as on March 31, 2023 ; March 31, 2024 and Limited Reviewed Standalone and Consolidated Financial Statement for the Half year ended September 30, 2024 and Financial Statements of the Transferor Companies as on year ended March 31, 2023; March 31, 2024 and the Half year ended September 30, 2024;

(f) certificate issued by Auditor of the company to the effect that the accounting treatment, proposed in the Scheme of amalgamation, is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013;

(g) contracts or agreements material to the compromise or arrangement :

- Copy of the Valuation Report dated September 25, 2023 & addendum to the valuation report dated October 18, 2023, issued by Mahesh Mandowara, Registered Valuers (SFA) (with IBBI Registration No. IBBI/RV/06/2020/1345.
- Copy of fairness opinion dated September 25, 2023 issued by Kunvarji Finstock Private Limited, a SEBI registered Category I Merchant Banker, (SEBI Registration No. INM000012564)
- Copy of the Pricing Certificate dated September 25, 2023 issued by H. R. Jain & Co., Chartered Accountants (Firm Registration No. 000262C), statutory auditors of the Company.

(h) Copy of the Report date July 25, 2023 adopted by the Board of Directors of the Company pursuant to Section 232(2)(c) of the Act **Annexure 10A and Annexure 10B**;

(i) Copy of the report of the Audit Committee & Independent Directors of the Company.

All other documents displayed on the website of the Company at www.sahpolymers.com in terms of the SEBI Scheme Circular, as amended and other relevant circulars issued by SEBI;

**P. Details of approvals, sanctions or no-objection(s) , if any, from regulatory or any other governmental authorities required, received or pending for the Scheme:**

The Equity Shares, of the Sah Polymers Limited ("Transferee Company") are listed on the Stock Exchanges (BSE and National Stock Exchange 'NSE'). NSE was appointed as the designated stock exchange by the Company for the purpose of coordinating with SEBI, pursuant to the SEBI Scheme Circulars. The Company has received observation letter regarding the Scheme from BSE on July, 16, 2024, and from NSE on July 18, 2024, A copy attached as **Annexure 11** And **Annexure 12** respectively. In terms of the observation letters, BSE, and NSE conveyed their no adverse observations/ no objection to the Scheme. The Observations/comments stated by the Stock Exchange on their Letters to be complied by the companies are as follows:

| S. No. | Observations | Response |
|---|---|---|
| a. | The Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters, and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme | Details are mentioned in Clause no.- M and the same is annexed as **Annexure-13** of this Statement disclosed to the shareholders, while seeking approval of the Scheme and the same which will be submitted before Hon'ble NCLT as a part of petition. |
| b. | The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed company and the Stock Exchanges. | There is no additional information, submitted by the company from the date of the receipt of the observation letter and company shall ensure continue to comply with the aforesaid requirement as and when become applicable. |
| c. | The Company shall ensure compliance with the SEBI circulars issued from time to time. | The Company shall ensure to duly comply with various applicable provisions of the SEBI Circulars issued from time to time in relation to the Scheme of arrangement as and when become applicable. |
| d. | The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company. | The Companies viz; Sah Polymers Limited 'SPL' and Fibcorp Polyweave Pvt. Limited 'FPPL' shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company ("FPPL") are transferred to the Transferee Company ('SPL"). |
| e. | The Company shall ensure that information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval. | Since unlisted company i.e Fibcorp Polyweave Private Limited (" Transferor company") is involved in the Scheme, the disclosure shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018 form a part of the Notice **("Abridged Prospectus")** is enclosed as **Annexure 17.** |
| f. | The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old. | The Financials of the Company's involved in the scheme considered for valuation report are enclosed as **Annexure No. 18** & **Annexure No.19.** |
| g. | The Company shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchanges shall be prominently disclosed in the notice sent to the Shareholders. | The details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall disclosed in Clause C of this Statement accompanying notice sent to the Shareholders for seeking approval and a copy of the Scheme is enclosed hereto. |

| | | |
|---|---|---|
| h. | The Company shall ensure to disclose the following, as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013:<br>i. Details of (pre & post scheme) Assets and Liabilities of SPL.<br><br>ii. Capital buildup of FPPL since inception<br><br>iii. All details of valuation/share exchange ratio along with the workings of valuation and pricing certificate (including the valuation report dated 25.09.2023, 17.01.2024, company clarification dated 19.01.2024 and 17.01.2024 and Pricing Certificate dated 25.09.2023).<br><br>iv. Rationale & synergies of the scheme and its impact on the public shareholders.<br><br>v. Details provided by SPL vide letter dated 05.07.2024 in respect of classification of proposed holding of Mr. Murtaza Moti and Mrs. Fatima Moti as public holding post scheme of arrangement. | The company discloses the following in this Statement<br><br>i. Details of (pre & post scheme) Assets and Liabilities of SAH POLYMERS LIMITED is enclosed as **Annexure no. 15**.<br><br>ii. Capital buildup of Fibcorp Polyweave Private Limited since inception is enclosed as **Annexure no.16.**<br><br>iii. All details of valuation/share exchange ratio along with the workings of valuation and pricing certificate (including the valuation report dated 25.09.2023, 17.01.2024, company clarification dated 19.01.2024 and 17.01.2024 and Pricing Certificate dated 25.09.2023) is enclosed as **Annexure no. 7.**<br><br>iv. Rationale & synergies of the scheme and its impact on the public shareholders is disclosed under Clause F of this Statement.<br><br>v. Details provided by Sah polymers Limited vide letter dated 05.07.2024 is enclosed as **Annexure no. 23.**<br><br>The pre-Scheme and post-Scheme shareholding patterns of the Sah Polymers Limited is enclosed as Annexure No: **Annexure no. 14.** |
| i. | The Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only. | The company shall ensure that the equity shares proposed to be issued by SPL pursuant to the Scheme shall mandatorily be in Demat form only. |
| j. | The Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document. | The company shall ensure to comply with this requirement. |
| k. | The Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI. | The company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI. |

| | | |
|---|---|---|
| l. | The Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT. | The Company shall ensure to incorporate all the observation, in the form of annexures to the petition filed before the Hon'ble NCLT. |
| m. | The Company shall ensure that all the applicable provisions under the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme are complied. | • **Transferee Company:** The Company shall ensure that all applicable provisions under the Companies Act, 2013, rules and regulations issued thereunder scheme duly comply and the consent letter in the form of affidavit obtained from the secured creditors along with the list of Secured Creditors of the Transferee Company is enclosed as **Annexure no. 20** and as per the Order of Hon'ble Tribunal the Company is holding the meeting of Unsecured Creditors.<br>• **Transferor Company:** The Company shall ensure that all applicable provisions under the Companies Act, 2013, rules and regulations issued thereunder scheme duly comply and the consent letter in the form of affidavit obtained from the secured creditors of the Companies involved in the scheme is enclosed as **Annexure no. 20** along with the list of Secured Creditors of the Transferor Company is enclosed as **Annexure no. 20** and as per the Order of Hon'ble Tribunal the Company is holding the meeting of Unsecured Creditors. |
| n. | It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations. | Company has noted the same. |

**Q. Statement to the effect that the persons to whom the notice is sent may vote in the meeting either in person or by proxies, or where applicable, by voting through electronic means:**

Pursuant to the provision of the act, since the Meeting is being held pursuant to NCLT Order and Relevant Circulars through VC/ OAVM, physical attendance of the unsecured creditors has been dispensed with. Accordingly, the facility to vote in the meeting in person or by proxies will not be available, and hence persons to whom the notice is sent may vote through electronic means.

**R. Other Matters:**

1. As required by Pt. 13. 6 of NCLT Order dated 06th November, 2024 with the and subsequent amendment Order dated 11th November, 2024 the Financials of the Company's involved in the scheme as on 30th September, 2024 is enclosed as **Annexure No. 21.**

2. As required by the SEBI Circular, the Transferee Company had filed its no complaints report with BSE and NSE, dated 27th November, 2023, respectively. These reports indicate that the Transferee Company received no complaints from the equity shareholders with respect to the Scheme. Copies of the no complaints report submitted by the Transferee Company, are enclosed as **Annexure no. 22.**

**Registered office:**
**E-260-261, Mewar Industrial Area,**
**Madri Udaipur: 313003**
**Dated: 27.11.2024**

**For SAH POLYMERS LIMITED**

**Sd/-**
**Chairperson appointed for the Meeting of Unsecured Creditors**

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SCHEME OF AMALGAMATION

OF

**FIBCORP POLYWEAVE PRIVATE LIMITED ..... Transferor Company**

WITH

**SAH POLYMERS LIMITED .....Transferee Company**

AND

their respective Shareholders.

(UNDER SECTIONS 230 to 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013)

SAH POLYMERS LTD. UDAIPUR

Fibcorp Polyweave Private Limited UDAIPUR

Certified True Copy
For SAH POLYMERS LIMITED
Company Secretary & Compliance Officer

## SCHEME OF AMALGAMATION

The Scheme is divided into the following parts:

| Part | Particulars |
|---|---|
| I. | General- Preamble, Background of the Companies, Rationale and Purpose of the Scheme, Synergies of Business of the Entities Involved in the Scheme, Impact of the Scheme on Shareholders, Cost Benefits, Definitions, Interpretations, Date of Taking Effect and Share Capital of the Companies. |
| II. | Amalgamation of the Transferor Company into and with the Transferee Company and the matters incidental thereto |
| III. | General Terms and Conditions |

The Scheme also provides for various other matters consequential or otherwise integrally connected herewith.






## PART I - GENERAL

### 1. PREAMBLE

This scheme of amalgamation is presented pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 as may be applicable, and Section 2(1B) and other relevant provisions of the Income-Tax Act, 1961, as applicable for the Amalgamation of Fibcorp Polyweave Private Limited ("Fibcorp" or "Transferor Company") into and with Sah Polymers Limited ("Sah" or "Transferee Company") and the consequent dissolution without winding up of Fibcorp.

Fibcorp and Sah are collectively referred to as "Parties" or "Companies" and individually as "Party" or "Company".

### 2. BACKGROUND AND DESCRIPTION OF THE COMPANIES:

#### 2.1 Sah Polymers Limited ("THE TRANSFEREE COMPANY")

2.1.1. The Transferee Company [CIN: U24201RJ1992PLC006657] is a Public Limited Company, incorporated on April 20, 1992, under the provisions of the Companies Act, 1956 and is a Public Limited Company within the meaning of the Act.

2.1.2. The Registered Office of the Transferee Company is at E-260-261, Mewar Industrial Area, Madri, Udaipur, Rajasthan - 313003.

2.1.3. The Transferee Company is engaged in manufacturing and selling of Polypropylene (PP)/ High Density Polyethylene (HDPE) FIBC Bags, Woven Sacks, HDPE/PP woven fabrics, woven polymer based products of different weight, sizes and colours as per customers specification. The Transferee Company offers vide range of bags of different sizes for varied applications. The Transferee Company is a Del Credere Associate cum Consignment Stockist (DCA/ CS) of Indian Oil Corporation Limited and also operates as Dealer Operated Polymer Warehouse (DOPW) of Indian Oil Corporation Limited for their polymer division.

2.1.4. The Equity Shares of the Transferee Company are listed on the BSE Limited ("BSE") bearing ISIN: INE035801013 & Scrip Code: 543743 and on the National Stock Exchange of India Limited ("NSE") bearing Symbol: SAH (hereinafter collectively referred as the "Stock Exchanges").

2.1.5. The Transferee Company holds 33,884 (Thirty-Three Thousand Eight Hundred Eighty-Four only) Equity Shares of Rs. 100/- each constituting 51.01% (Fifty One and decimal Zero One percent) of the Equity Share capital of the Transferor Company.

2.2 **Fibcorp Polyweave Private Limited ("TRANSFEROR COMPANY")**

2.2.1 The Transferor Company (CIN: U17309RJ2017PTC058691) is a Private Limited Company, incorporated on 31st July, 2017 under the provisions of the Act.

2.2.2 The Registered Office of the Transferor Company is at E-260-261, Mewar Industrial Area, Madri, Udaipur, Rajasthan - 313003.

2.2.3 The Transferor Company is a subsidiary of Transferee Company.

2.2.4 The Transferor Company is also engaged in the business of manufacturing of Flexible Intermediate Bulk containers (FIBC), HDPE/PP fabrics and sacks etc.

## 3 RATIONALE AND PURPOSE OF THE SCHEME

**Commercial rationale for amalgamation of the Transferor Company with the Transferee Company**

3.1 The Transferor Company is a subsidiary of the Transferee Company and is under the management of the Transferee Company.

3.2 The Transferor Company and the Transferee Company are engaged in the business of manufacture and sale of Flexible Intermediate Bulk containers (FIBC), HDPE/PP fabrics and sacks etc. The amalgamation will ensure focused management in the combined entity thereby resulting in efficiency of

SAH POLYMERS LTD. UDAIPUR

Polyweave Private Ltd. UDAIPUR

management and maximizing value for the shareholders. Such restructuring will lead to simplification of group structure by eliminating multiple companies in similar business.

3.3 The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with the terms of this Scheme would enable both the Companies to realize benefits of greater synergies between their businesses, yield beneficial results and pool financial resources as well as managerial, technical, distribution and marketing resources of each other in the interest of maximizing value to their Shareholders and the Stakeholders.

## 4 SYNERGIES OF BUSINESS OF THE ENTITIES INVOLVED IN THE SCHEME

The proposed Scheme would result in following Synergies:

4.1 **Operational integration and better facility utilisation**: The amalgamation in accordance with this Scheme will provide an opportunity for reduction of operational costs through transfer of intermediary products between the Companies, better order loads for the business through pooling of orders, synergies from sales and production planning across the businesses.

4.2 **Efficient raw material procurement and reduced procurement costs:** Synergy of operations will be achieved as a result of sustained availability of raw materials as well as reduced procurement costs for Transferor Company. The proposed amalgamation would ensure combined sourcing of raw materials such as HDPE, PP, pigments, Accessories etc. by both the Transferor Company and the Transferee Company, would result in reduction in overall procurement cost for the amalgamating Company. Besides, certain requirements of the Transferor Company such as Fabrics etc. could be directly met by the Transferee Company's production and procurement arms.

4.3 **Operational Efficiencies:** The amalgamation would result in synergy benefits arising out of single value chain thereby reducing costs and increasing

SAH POLYMERS LTD. UDAIPUR

Grid Polyweave Private Limited UDAIPUR

operational efficiencies. Centralization of inventory, from raw material to finished goods and spares, may enable better efficiency, utilization and overall reduction in working capital. The proposed amalgamation would likely result in optimized power consumption, reduced costs, sharing of best practices, cross-functional learnings, better utilisation of common facilities and greater efficiency in debt and cash management.

4.4 **Rationalization of Procurement & Logistics costs:** Consolidation and optimization of stockyards could significantly reduce logistics and distribution costs for both the Transferor Company and the Transferee Company.

4.5 **Enhancing Value in Marketing:** With an overlap in products across the Transferor Company and the Transferee Company, the combined entity would be better positioned to service customer needs. The Transferor Company could expand its existing core market using the strong distribution channel of the Transferee Company. Further, the Transferor Company could also have access to the Transferee Company's marketing capabilities. The Transferee Company would benefit from complementary product offerings of the Transferor Company, resulting in a strong presence across market segments. The proposed amalgamation will result in access to new markets and product offerings as well as increased export volumes.

4.6 **Improving Customer Satisfaction and Services:** The proposed amalgamation would make it easier to address needs of customers by providing them uniform product and service experience, on-time supplies, improved service levels thereby improving customer satisfaction. With common credit management, the customers are expected to benefit from the channel financing benefits from the combined entity.

4.7 **Improved safety, environment and sustainability practices:**

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4.8 Increased coverage of plant automation can be achieved across plants of the Transferor Company, by using the Transferee Company's information technology applications and systems.

4.9 Thus, the proposed amalgamation is beneficial, advantageous and not prejudicial to the interests of the shareholders, creditors and other stakeholders of the Transferor Company and the Transferee Company and is beneficial to the public at large.

In view of the aforesaid, the Board of Directors of the respective Companies have considered the proposed amalgamation of the entire undertaking and business of the Transferor Company as a going concern into and with the Transferee Company to benefit the stakeholders of the respective Companies. Accordingly, the Board of Directors of the respective Companies have formulated this Scheme for the amalgamation of the Undertakings (as defined hereinafter) of the respective Transferor Company into and with the Transferee Company pursuant to Sections 230 to 232 and other relevant provisions of the Act, and in accordance with Section 2(1B) of IT Act (on a going concern basis) and other applicable Laws.

## 5 IMPACT OF THE SCHEME ON SHAREHOLDERS

5.1 For the Shareholders of the Transferee Company, the Scheme will result in economies of scale and consolidation of opportunities will improve profitability and enhance overall Shareholder value. This is particularly marked in the improved synergies that will arise pursuant to the Scheme. The impact of the Scheme on the Shareholders, including the Public Shareholders, would be the same in all respects and no Shareholder is expected to have any disproportionate advantage or disadvantage in any manner.

5.2 For the Shareholders of the Transferor Company, the Scheme will provide an opportunity to improve the economic value for the Shareholders. This is

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particularly marked in the improved synergies that will arise pursuant to the Scheme. Upon the Scheme becoming effective, the shareholders of the Transferor Company will be able to participate in the growth of the Transferee Company.

## 6 COST BENEFITS

The implementation of the Scheme would involve incurring costs including, administrative cost, statutory dues, cost of auditors, etc. However, the long-term benefits are expected to outweigh costs towards implementation of the Scheme.

## 7 DEFINITIONS, INTERPRETATION, DATE OF TAKING EFFECT AND SHARE CAPITAL

### 7.1 DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

7.1.1 "**Act**" or "**the Act**" means the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable rules, regulations, circulars, or guidelines issued thereunder and shall, if the context so requires and as may be applicable, mean the Companies Act, 1956 and any rules, regulations, circulars, or guidelines issued thereunder, as amended from time to time and shall include any statutory replacement or re enactment thereof;

7.1.2 "**Applicable Law(s)**" or "**Law(s)**" means (a) applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, listing agreements, notifications, guidelines or policies of any applicable country and/or jurisdiction; (b) writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals of, or agreements with, any Governmental Authority or recognized stock exchange;

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7.1.3 "**Appointed Date**" means April 1, 2023 or such other date as approved by the NCLT;

7.1.4 "**Board of Directors**" or "**Board**" means the board of directors of the respective Transferor Company and/or the Transferee Company, as the context may require, and includes committees of the Board (if any) constituted for the implementation of this Scheme;

7.1.5 "**BSE**" means BSE Limited;

7.1.6 "**Companies**" means collectively, the Transferor Company and the Transferee Company;

7.1.7 "**Consent**" means any notice, consent, approval, authorization, waiver, permit, permission, clearance, license, exemption, no objection certificate, registration, with, of, from or to any Person;

7.1.8 "**Effective Date**" means the date on which the last of conditions referred to in Clause 23.1 hereof have been fulfilled. Any reference in this Scheme to the date of "coming into effect of the/this Scheme" or "Scheme becoming effective" shall be construed accordingly;

7.1.9 "**Encumbrance**" means (i) any mortgage, charge (whether fixed or floating), pledge, lien, conditional sales contract, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law; (ii) a contract to give or refrain from giving any of the foregoing; (iii) any voting agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any

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Person; and (iv) any adverse claim as to title, possession or use; and the terms "Encumbered", "Encumber" shall be construed accordingly;

7.1.10 "**Governmental Approval**" means any Consent of any Governmental Authority;

7.1.11 "**Governmental Authority**" means any government authority, statutory authority, regulatory authority, agency, government department, board, commission, SEBI, Stock Exchanges, administrative authority, tribunal or court or any authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, having or purporting to have jurisdiction on behalf of the Republic of India or any state or province or other political sub-division thereof or any municipality, district or other subdivision thereof or in any other nation over the Transferor Companies and/ or the Transferee Company, as the context may require;

7.1.12 "**IT Act**" means the Indian Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force;

7.1.13 "**NCLT**" means the relevant National Company Law Tribunal(s) having territorial jurisdiction in the state(s) in which the respective registered offices of the Companies are located or such other forum or authority as may be vested with any of the powers of the above mentioned tribunal under the Act for approving any scheme of arrangement, compromise or reconstruction of a company under Sections 230 to 232 of the Act;

7.1.14 "**NCLT Order**" means all Order(s) passed by NCLT sanctioning the Scheme and includes any Order passed by NCLT or any other Governmental Authority's Order(s) for extension of time or condonation of

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delay in filing of the requisite forms with the Registrar of Companies in relation to this Scheme, if applicable.

7.1.15 "**NSE**" means National Stock Exchange Limited;

7.1.16 "**Person**" means any individual or other entity, whether a corporation, firm, company, joint venture, trust, association, organization, partnership or proprietorship, including any governmental agency or regulatory body;

7.1.17 "**Record Date**" means the date to be mutually fixed by the Board of Directors of the Transferor Company and the Transferee Company, for the purpose of determining the shareholders of the Transferor Company who shall be entitled to receive fully paid-up equity shares of the Transferee Company pursuant to and as contemplated under this Scheme;

7.1.18 "**Registrar of Companies**" or "**ROC**" means the relevant Registrar of Companies having territorial jurisdiction in the state(s) in which the respective registered offices of the Companies are located;

7.1.19 "**Rupees**" or "**Rs.**" or "**INR**" means the Indian rupee which is the lawful currency of India;

7.1.20 "**Scheme of Amalgamation**" or "**this Scheme**" or "**the Scheme**" means this scheme of amalgamation in its present form as submitted to the NCLT or this Scheme with any amendment(s) or modification(s) if any, made by the shareholders of the respective Companies and accepted by the Boards of the respective Companies or such modification(s) as may be imposed by any Governmental Authority and/or directed to be made by the NCLT(s) while sanctioning the Scheme;

7.1.21 "**SEBI**" means Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

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7.1.22 "**SEBI Circular**" means Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th day of June, 2023 issued by SEBI applicable to Schemes of Arrangement;

7.1.23 "**Stock Exchanges**" means the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), collectively;

7.1.24 "**Shareholders**" means the person registered as holders of Shares of Companies concerned.

7.1.25 "**Transferee Company**" means Sah Polymers Limited, a Public Limited Company incorporated on April 20, 1992 under the provisions of the Companies Act, 1956 and is a Public Limited Company within the meaning of the Act;

7.1.26 "**Transferor Company**" means Fibcorp Polyweave Private Limited, a Private Limited Company incorporated on 31st July, 2017 under the provisions of the Companies Act, 2013 and is a Private Limited Company within the meaning of the Act;

7.1.27 "**Undertaking**" means all the undertaking and the entire business of the Transferor Company as a going concern as of the Appointed Date, including all its assets, properties, investments, rights, approvals, licenses and powers, leasehold rights and all its debts, outstanding, liabilities, duties, obligations and employees including, but not in any way limited to, the following:

(a) all the assets and properties (whether movable or immovable, tangible or intangible (including but not limited to rights, titles, interest, goodwill, etc.), real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature), whether or not recorded in the books of accounts of the Transferor Company, including, without limitation, the freehold and leasehold

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properties of the Transferor Company) , investments of all kinds (i.e., shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), furniture, fixtures, machinery, office equipment, computers, fixed assets, current assets (including, without limitation, all inventories, stock-in-trade or stock-in-transit, tools, plants, merchandise (including, raw materials, supplies, finished goods, and wrapping, supply, advertisement, promotional and packaging material), supplies, finished goods, packaging items, wherever located), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, vehicles, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;

(b) all permits, licenses, permissions, approvals, clearances, Consents, benefits, registrations, rights, entitlements, credits, certificates,

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awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto;

(c) all contracts, agreements, purchase orders/ service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expressions of interest, letters of intent, supply contracts, hire and purchase arrangements, lease/ license agreements, tenancy rights, agreements/ panchnamas providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder;

(d) all applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names, service marks, trademarks, copyrights, brands, patents, domain names, designs, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature;

(e) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights,

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easements, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company;

(f) all the credits for taxes such as income tax, wealth tax, central sales tax, service tax, applicable state value added tax, goods and service tax including but not limited to the right to claim credit for indirect taxes such as CENVAT credit, VAT credit, GST credit, or any other input tax credit, advance tax, withholding tax/ TDS, taxes withheld/ paid in a foreign country, self-assessment tax, regular tax, minimum alternate tax, dividend distribution tax, securities transaction tax, deferred tax assets/ liabilities, accumulated losses under the IT Act and allowance for unabsorbed depreciation under the IT Act, losses brought forward and unabsorbed depreciation as per the books of account and tax refunds of the Transferor Company;

(g) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programs, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/ supplier pricing information,

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and all other books and records, whether in physical or electronic form;

(h) all debts, secured and unsecured, liabilities including contingent liabilities, guarantees, duties, taxes and obligations of the Transferor Company of whatsoever kind, nature and description and howsoever arising, raised, incurred or utilized;

(i) all staff and employees and other obligations of whatsoever kind, including liabilities of the Transferor Company, with regard to their employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise as on the Effective Date; and

(j) all legal proceedings, including quasi-judicial, arbitral and other administrative proceedings, of whatsoever nature involving the Transferor Company;

7.1.28 "**Transition Period**" means the period starting from the date immediately after the Appointed Date till the last of the dates on which all the conditions stipulated in Clause 23.1 of this Scheme are fulfilled.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modifications or re-enactment thereof from time to time.

**7.2 INTERPRETATION**

7.2.1 In addition to the above terms, certain terms may be defined elsewhere in this Scheme and wherever such terms are used in this Scheme, they shall have the meaning so assigned to them.

7.2.2 The terms referred to in this Scheme shall, unless defined otherwise in this Scheme or inconsistent with the context or meaning thereof, bear the meaning ascribed to them under the relevant statute/legislation.

7.2.3 All references in this Scheme to statutory provisions shall be construed as meaning and including references to:

7.2.4 any statutory modification, consolidation or re-enactment made after the date of approval of this Scheme by the Board of Directors of the respective Companies and for the time being in force;

7.2.5 all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated);

7.2.6 all statutory instruments or orders made pursuant to a statutory provision; and

7.2.7 any statutory provisions of which these statutory provisions are a consolidation, re-enactment or modification.

7.2.8 Words denoting the singular shall include the plural and words denoting any gender shall include all genders.

7.2.9 Headings, subheadings, titles, subtitles to clauses, sub-clauses, sections and paragraphs are for information only and shall not form part of the operative provisions of this Scheme or the schedules hereto and shall be ignored in construing the same.

7.2.10 References to clauses, and schedules are, unless the context otherwise requires, references to clauses, and schedules to this Scheme.

7.2.11 Reference to days, months and years are to calendar days, calendar months and calendar years as per the English calendar, respectively.

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7.2.12 Any reference to "writing" shall include printing, typing, lithography and other means of reproducing words in visible form.

7.2.13 The words "include" and "including" are to be construed without limitation.

7.2.14 Where a wider construction is possible, the words "other" and "otherwise" shall not be construed ejusdem generis with any foregoing words.

7.3 **DATE OF TAKING EFFECT**

7.3.1 The Scheme shall be effective from the Appointed Date mentioned herein but shall be operative from the Effective Date. Upon the sanction of this Scheme and upon this Scheme becoming effective pursuant to Clause 23 of this Scheme, the following shall be deemed to have occurred and become effective and operative, only in the sequence and in the order mentioned hereunder:

7.3.2 The amalgamation of the Undertaking of the Transferor Company into and with the Transferee Company in accordance with Part II and Part III of the Scheme shall be deemed to have taken effect.

7.3.3 The Equity Shares issued by the Transferor Company to the Transferee Company shall stand cancelled in their entirety, which shall be effected as a part of the Scheme itself and not in accordance with Section 66 of the Act and in the manner stipulated in Part II of the Scheme.

7.3.4 Dissolution of the Transferor Company without winding up.

7.3.5 Issue and allotment of fully paid up Equity Shares of the Transferee Company to the Equity Shareholders of the Transferor Company as of the Record Date in accordance with the Scheme.

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## 7.4 SHARE CAPITAL

**7.4.1** The share capital of the Transferee Company as on March 31, 2023, is as follows:

| Particulars | Amount in INR |
|---|---|
| **Authorised Capital:** | |
| 3,00,00,000 Equity Shares of INR 10 each | 30,00,00,000 |
| **Issued, Subscribed and Paid up:** | |
| 2,57,96,000 Equity Shares of INR 10 each | 25,79,60,000 |

7.4.2 The share capital of the Transferor Company as on March 31, 2023 is as follows:

| Particulars | Amount in INR |
|---|---|
| **Authorised Capital:** | |
| 72,000 Equity Shares of INR 100 each | 72,00,000 |
| **Issued, Subscribed, and paid up:** | |
| 66,430 Equity Shares of INR 100 each | 66,43,000 |

Note: The Transferee Company holds 51.01% Shares of the Transferor Company.

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## PART II - AMALGAMATION OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEREE COMPANY

### 8 AMALGAMATION OF THE UNDERTAKING

8.1 With effect from the Appointed Date, the Undertaking shall, subject to the terms and conditions of this Scheme and, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company, as a going concern, so as to become the undertakings of the Transferee Company by virtue of and in the following manner:

8.1.1 All assets of the Transferor Company that are movable in nature and/or otherwise capable of transfer by physical or constructive delivery, novation and/or by endorsement and delivery or by operation of law shall be vested in and/or deemed to be vested in the Transferee Company from the Appointed Date. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognised as that of the Transferee Company, absolutely and forever, from the Appointed Date.

8.1.2 In respect of such of the assets of the Transferor Company other than those referred to in Clause 8.1.1 above, including investment in shares or any other securities, actionable claims, outstanding loans and advances, earnest monies, receivables, bills, credits, if any, recoverable in cash or in kind or for value to be received all kind of banking accounts including but not limited to current and saving accounts, term deposits, deposits, if any, with Governmental Authorities and other authorities and bodies, shall, without any further act, instrument or deed, be and stand

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transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as on the Appointed Date. The Transferee Company shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard. The Transferee Company (without it being obliged to do so), if it deems appropriate, may give notice in such form as it deems fit and proper, to each such debtor or obligor or any other Person, that pursuant to the sanction of the Scheme, such investment, debt, loan, advance, claim, bank balance, deposit or other asset be aid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor Company, to recover or realize all such debts (including the debts payable by such debtor or obligor or any other Person to the Transferor Company) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors or other Persons to record such change.

8.1.3 With effect from the Appointed Date, all immovable properties of the Transferor Company, including land together with the heavy equipment, plant & machinery, buildings and structures standing thereon or embedded to the land and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or licensed or otherwise and all documents of title, rights, security deposits and easements in relation thereto shall stand vested in and/or be deemed to have been vested in the Transferee Company on the same terms and conditions, by operation of Law pursuant to the sanctioning of the Scheme. Such assets shall stand vested in the Transferee Company and

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shall be deemed to be and become the property as an integral part of the Transferee Company by operation of Law. The Transferee Company shall upon the NCLT Order sanctioning the Scheme and upon the Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties including refund of any security deposits and shall be liable to pay appropriate rent, rates and taxes and fulfill all obligations in relation thereto or as applicable to such immovable properties. Upon this Scheme becoming effective, the title to such properties shall be deemed to have been mutated and recognised as that of the Transferee Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Governmental Authority shall suffice as record of continuing titles with the Transferee Company and shall be constituted as a deemed mutation and substitution thereof. The Transferee Company shall upon the Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of the Transferor Company in any leasehold properties shall without any further act, instrument or deed, be vested in or be deemed to have been vested in the Transferee Company.

8.1.4 With effect from the Appointed Date, all assets, brands, trademarks, rights, title, interests, and investments of the Transferor Company shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company.

8.1.5 With effect from the Appointed Date, all debts (secured and unsecured), liabilities, bonds, debentures (including contingent liabilities), duties and

obligations of every kind, nature and description of the Transferor Company shall without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, bonds, debentures (including contingent liabilities), duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company. Further, it shall not be necessary to obtain the Consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause. Necessary modification, as may be.

8.1.6 Upon this Scheme becoming effective, the secured creditors of the Transferor Company and/or other holders of Encumbrance over the properties of the Transferor Company shall be entitled to Encumbrance only in respect of the properties, assets, rights, benefits and interest of the Transferor Company, as existing immediately prior to the amalgamation of the Transferor Company with the Transferee Company and the secured creditors of the Transferee Company and/or other holders of Encumbrance over the properties of the Transferee Company shall be entitled to Encumbrance only in respect of the properties, assets, rights, benefits and interest of the Transferee Company, as existing immediately prior to the amalgamation of the Transferor Company with the Transferee Company. It is hereby clarified that pursuant to the amalgamation of the Transferor Company with the Transferee Company, (a) the secured creditors of the Transferor Company and/or other holders of Encumbrance over the properties of the Transferor Company

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shall not be entitled to any additional Encumbrance over the properties, assets, rights, benefits and interest of the Transferee Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any Encumbrance thereon in future in relation to any current or future indebtedness of the Transferee Company; and (b) the secured creditors of the Transferee Company and/or other holders of Encumbrance over the properties of the Transferee Company shall not be entitled to any additional Encumbrance over the properties, assets, rights, benefits and interest of the Transferor Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any Encumbrance thereon in future in relation to any current or future indebtedness of the Transferee Company.

8.1.7 On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts, demat accounts, if any, of the Transferor Company and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in relation to the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.

8.1.8 With effect from the Effective Date, the security creation, borrowing and investment limits of the Transferee Company under the Act shall be increased to the extent of the security creation, borrowing and investment limits of the Transferor Company, such limits being incremental to the existing limits of the Transferee Company.

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8.1.9 Any corporate approvals obtained by the Transferor Company, whether for the purposes of compliance or otherwise, shall stand transferred to the Transferee Company and such corporate approvals and compliance shall be deemed to have been obtained and complied with by the Transferee Company.

8.1.10 All Governmental Approvals and other Consents, permissions, quotas, rights, authorizations, entitlements, no objection certificates and licenses, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which the Transferor Company are a party or to the benefit of which the Transferor Company may be entitled to use or which may be required to carry on the operations of the Transferor Company, and which are subsisting or in effect immediately prior to the Effective Date, shall be, and remain, in full force and effect in favour of or against the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party, a beneficiary or an obligee thereto and shall be appropriately mutated by the relevant Governmental Authorities in favour of the Transferee Company. In so far as the various incentives, service tax benefits, subsidies (including applications for subsidies), rehabilitation schemes, grants, special status, rights, and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other Person, or availed of by the Transferor Company is concerned, the same shall, without any further act or deed, vest with and be available to the Transferee Company on the same terms and conditions as are available to the Transferor Company.

8.1.11 With effect from the Appointed Date, all registrations, licenses, trademarks, brands, copyrights, domain names, applications for

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copyrights, trade-names, trademarks, and any other intellectual property pertaining to the Transferor Company, if any, shall stand vested in the Transferee Company without any further act, instrument or deed, upon the sanction of the Scheme.

8.1.12 All taxes (including but not limited to advance tax, self-assessment tax, regular tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, value added tax, sales tax, service tax, goods and service tax etc.) paid/ payable by or refunded/ refundable to the Transferor Company with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds/ claims, etc. as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per books of account, deductions otherwise admissible such as under Section 40, 40A, 43B, etc. of the IT Act, exemptions, credits, holidays, remissions, reductions, service tax input credits, GST input credits etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company. This clause to be read along with Clause 22 of this Scheme.

8.1.13 Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Order sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of the Transferee Company as successor in interest, pursuant to the sanction of this Scheme by NCLT, and upon this Scheme becoming effective. For this purpose, the

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Transferee Company shall file certified copies of such NCLT Order and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, registrations, no-objection certificates, permits quotas, rights, entitlements, licenses (including the licenses granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

8.1.14 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that with effect from the Appointed Date, all Consents, permissions, certificates, clearances, authorities, power of attorneys given by, issued to or in favour of the Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company.

8.1.15 The Transferee Company shall, at any time after coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Company have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Transferee Company shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of the

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Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.

8.1.16 With effect from the Effective Date, all inter se contracts solely between the Transferor Company and the Transferee Company shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company.

8.1.17 With effect from the Effective Date, there will be no accrual of income or expense on account of any transactions, including inter alia any transactions in the nature of sale or transfer of any goods, materials or services, between the respective Transferor Company and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date, there will be no accrual of interest or other charges in respect of any inter se loans, deposits or balances between the respective Transferor Company and the Transferee Company.

8.1.18 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant Consents, approvals, patents, permissions, licenses, registrations, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to the Transferor Company in favour of the Transferee Company, the Board of Directors of the Transferor Company and the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable and the same shall be considered as giving effect to the NCLT Order and shall be considered as an integral part of this Scheme. Further, the Transferee Company shall be deemed to be

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authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable, on behalf of the Transferor Company and to carry out or perform all such formalities or compliance required for the purpose of implementation of the provisions of the Scheme.

8.1.19 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure the smooth transition and sales of products and inventory of the Transferor Company manufactured and/or branded and/or labelled and/or packed in the name of the Transferor Company prior to the Effective Date, the Transferee Company shall have the right to own, use, market, sell, exhaust or to in any manner deal with any such products and inventory (including packing material) pertaining to the Transferor Company at manufacturing locations or warehouses or retail stores or elsewhere, without making any modifications whatsoever to such products and/or their branding, packing or labelling. All invoices/ payment related documents pertaining to such products and inventory (including packing material) may be raised in the name of the Transferee Company after the Effective Date.

## 9 CONTRACTS, DEEDS AND OTHER INSTRUMENTS

**9.1** Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, understandings whether written or oral and other instruments, if any, of whatsoever nature to which the Transferor Company is a party or to the benefit of which against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectively as if, instead of the

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Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.

9.2 Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company is a party as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

## 10 STAFF, EMPLOYEES & WORKMEN

**10.1** Upon the coming into effect of this Scheme, all the employees on the payroll of the Transferor Company, engaged in or in relation to the Undertaking, as on the Effective Date, shall become and be deemed to have become the employees of the Transferee Company with effect from the Appointed Date or their respective joining date, whichever is later, without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable.

10.2 The Transferee Company agree that the service of all the employees of the Transferor Company immediately prior to the Effective Date shall be taken into account for the purpose of retirement benefits to which they may be eligible in the Transferor Company immediately prior to the coming into effect of this Scheme. The Transferee Company further agrees that for the purpose of

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payment of any retrenchment compensation, gratuity, grants, stock options or other terminal benefits, such past service with the Transferor Company, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

10.3 Upon the coming into effect of this Scheme, the Transferee Company shall make all the necessary contributions for such transferred employees and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme under the Applicable Law. The Transferee Company will also file relevant intimations to the statutory authorities concerned who shall take the same on record and substitute the name of the Transferor Company for the Transferee Company.

10.4 Subject to the Applicable Law, the existing provident fund, gratuity fund and pension and/or superannuation fund/ trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by the Transferor Company for its employees, shall be continued on the same terms and conditions and will be transferred to the necessary funds, schemes or trusts of the Transferee Company without any separate act, deed or approval and till the time such necessary funds, schemes or trusts are created by the Transferee Company, all contributions shall continue to be made to the respective existing funds, schemes.

**11 LEGAL PROCEEDINGS**

11.1 Upon coming into effect of this Scheme, if any suit, appeal or other legal proceeding including quasi-judicial, arbitral and other administrative proceedings, if any, of whatsoever nature by or against the Transferor Company be pending and/or arising on or before the Appointed Date, the same shall not

abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking or anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced, as the case may be, by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company, if this Scheme had not been made.

11.2 The Transferee Company undertakes to have all legal or such other proceedings specified in this Clause 11.1, initiated by or against the Transferor Company, transferred to its name and to have such proceedings continued, prosecuted and enforced by or against the Transferee Company, as the case may be. Following the Effective Date, the Transferee Company may initiate any legal proceedings for and on behalf of the Transferor Company.

## 12 CONSIDERATION

12.1 Upon coming into effect of this Scheme, and in consideration of the amalgamation of the Undertaking in the Transferee Company, the Transferee Company shall without any further application, act, instrument or deed, issue and allot to all the Equity Shareholders of the Transferor Company, whose names appear in the Register of members as on the Record Date, fully paid up Equity Shares, free and clear from all Encumbrances together with all rights and benefits attaching thereto in the following share exchange ratio ("Share Exchange Ratio"): **494 (Four Hundred Ninety Four) Equity Shares of INR 10/- each credited as fully paid-up of the Transferee Company for every 10 (Ten) Equity Share of INR 100/- each fully paid-up held by such Equity Shareholder in the Transferor Company.**

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12.2 Mr. Mahesh Mandowara, Registered Valuer, appointed by the Transferee Company and Transferor Company, have issued Report on the Share Exchange Ratio adopted under the Scheme ("Valuation Report") and M/s Kunvarji Finstock Private Limited, SEBI Registered Category I Merchant Bankers, have provided fairness opinion on the Share Exchange Ratio in compliance with the applicable provisions of the SEBI Circular ("Fairness Opinion"). The Valuation Report and the Fairness Opinion on the Share Exchange Ratio have been duly considered by the respective Board of both, the Transferor Company and the Transferee Company.

12.3 The Equity Shares to be issued pursuant to Clause 12.1 above, shall be issued to the Shareholders of the Transferor Company in such form, physical or dematerialized as permitted under Applicable Law.

12.4 The Equity Shares to be issued by the Transferee Company pursuant to Clause 12.1 above in respect of such Equity Shares of Transferor Company which are held in abeyance under the provisions of Section 126 of the Act (erstwhile Section 206A of the Companies Act, 1956) or otherwise shall, pending allotment or settlement of the dispute by order of a court or otherwise, also shall be kept in abeyance by the Transferee Company.

12.5 In the event of there being any pending share transfers, whether lodged or outstanding, of any Shareholders of the Transferor Company, the Board of Directors of the Transferor Company, shall be empowered prior to the Record Date, to effectuate such transfers in the Transferor Company as if such changes in registered holders were operative as on the Record Date, in order to remove any difficulties arising to the transferors of the shares issued by the Transferee Company pursuant to Clause 12.1 above after the Scheme is effected. The Board of Directors of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this

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Scheme and registration of new members in the Transferee Company on account of difficulties faced in the transition period.

12.6 The equity shares issued and allotted by the Transferee Company, in terms of Clause 12.1 above, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu in all respects with the existing Equity Shares of the Transferee Company including as regards entitlement to dividend and other distributions and repayment of capital declared or paid on or after the Effective Date and voting and other rights. Further, the Transferee Company shall, if required, take all necessary steps for increase of Authorized Share Capital for issue of the Equity Shares pursuant to Clause 12.1 above.

12.7 At the time of issue and allotment of Equity Shares in terms of Clause 12.1 above, the Board of Directors of the Transferee Company shall consolidate all fractional entitlements .If such consolidated fractional entitlement exceed 1(one) share and it shall be allotted Equity Shares in lieu thereof to a corporate trustee or such other authorized representative(s) as the Board of Directors of the Transferee Company shall appoint in this behalf, who shall hold the Equity Shares issued in the Transferee Company, in trust on behalf of the Equity Shareholders entitled to fractional entitlements with the express understanding that such corporate trustee or other authorized representative(s) shall sell the same in the market at such time or times and at such price or prices and to such person or persons, as it/he/they may deem fit, and pay to the Transferee Company, the net sale proceeds thereof, whereupon the Transferee Company shall distribute such net sale proceeds (after deduction of applicable taxes, if any), to the Equity Shareholders in proportion to their respective fractional entitlements.






12.8 Upon the Scheme becoming effective and upon the Equity Shares allotted and issued in terms of Clause 12.1 above, the Equity Shares of the Transferor Company, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date.

12.9 The Equity Shares allotted and issued in terms of Clause 12.1 above, shall be listed and/or admitted to trading on the Stock Exchanges, where the Equity shares of the Transferee Company are listed and/or admitted to trading; subject to the Transferee Company obtaining the requisite Governmental approvals pertaining to their listing.

12.10 It is clarified that upon the approval of this Scheme by the shareholders and/or the creditors of the respective Transferor Company and the Transferee Company under Sections 230 to 232 of the Act, the Shareholders and/or the creditors shall be deemed to have approved this Scheme under Sections 13, 14, 62, 188 and any other applicable provisions under the Act and the SEBI Circular, and that no separate approval from or any shareholders and/or the creditors nor any further action, to that extent shall be required to be sought or undertaken by the Transferor Company and the Transferee Company respectively, for the matters specified in this Scheme.

## 13 ACCOUNTING TREATMENT

Upon coming into effect of this Scheme, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of accounts in accordance with "Pooling of Interest Method" of accounting as laid down in IND AS 103 (Business Combinations) and relevant clarifications issued by Institute of Chartered Accountants of India (ICAI).

13.1 With effect from the Appointed Date, Transferee Company shall record the assets, liabilities and reserves (whether capital or revenue or arising on revaluation) of Transferor Company vested in it pursuant to this Scheme, at their respective book values thereof and in the same form as appearing in the books of Transferor Company at the close of the business of the day immediately preceding the Appointed Date, except to ensure uniformity in accounting policies as provided in Clause 13.4 below;

13.2 The value of the investments in the shares of Transferor Company as held by Transferee Company inter-se shall stand cancelled, without any further act or deed;

13.3 The inter-company loans, advances, deposits or other obligations between Transferor Company and Transferee Company, if any, will stand cancelled and there shall be no further obligation in that behalf;

13.4 Further, in case of any differences in accounting policy between Transferee Company and Transferor Company, the accounting policy followed by Transferee Company will prevail, and the differences shall be adjusted in Capital Reserves of Transferee Company, to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policy.

**14 CANCELLATION OF SHARES**

Upon coming into effect of this Scheme, the shares of the Transferor Company held by the Transferee Company on the Effective Date shall be extinguished or shall be deemed to be extinguished and all such shares held by the Transferee Company shall be cancelled and shall be deemed to be cancelled without any further application, act or deed. Further, the investment in the shares of the Transferor Company, appearing in the books of accounts of the Transferee Company, shall, without any further act or deed, stand cancelled.

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## 15 SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of the Scheme, the amalgamation of the Undertaking and continuance of proceedings by or against the Transferee Company, as provided herein, shall not affect any transactions or proceedings already concluded by the Transferor Company before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company in relation to the Undertaking as acts, deeds and things done and executed by and on behalf of the Transferee Company.

## 16 CONDUCT OF BUSINESS TILL EFFECTIVE DATE

**16.1** With effect from the Appointed Date and up to the Effective Date:

**16.1.1** For and on account of and in trust for the Transferee Company, the Transferor Company shall, in respect of the Undertaking, be deemed to have been carrying on and shall carry on their respective business and activities and shall hold and deal with their respective properties and assets including any transfer, disposal or sale of such assets/undertaking or part thereof and properties and in a manner that it does not adversely impact the interest of any stakeholder. The Transferor Company hereby undertakes to deal with the said assets/undertaking or properties including any transfer, disposal or sale, as per Applicable Laws until the Effective Date.

**16.1.2** On or after the Appointed Date but before the Effective Date, all the profits or income accruing or arising to the Transferor Company, in respect of the Undertaking or expenditure or losses arising to or incurred by the Transferor Company in respect of the Undertaking, shall for all purposes and intents be treated and be deemed to be and accrue as the

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profits or incomes or expenditure or losses (as the case may be) of the Transferee Company.

16.1.3 The Transferor Company shall carry on its business and activities with reasonable diligence and prudence and shall not without the prior written consent of the Transferee Company, alienate, transfer, sell, charge, mortgage, Encumber or otherwise deal with or dispose-off, the Undertaking or part thereof, except in the ordinary course of business. The Transferor Company shall not undertake any new businesses within the Undertaking except in the ordinary course of its business.

16.1.4 The Transferor Company shall not utilize the profits, for the purpose of declaring or paying any dividend in respect of the period falling on and after the Appointed Date.

16.1.5 Where any of the liabilities and obligations attributed to the Undertaking, has been discharged by the Transferor Company, on or after the Appointed Date but before the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company.

16.1.6 All loans raised and liabilities incurred by the Transferor Company, after the Appointed Date but before the Effective Date and subsisting as on the Effective Date, for operations of the Undertaking shall be discharged by the Transferee Company on or after the Effective Date.

16.1.7 The Transferee Company and/or Transferor Company shall be entitled, pending the sanction of the Scheme, to apply to the concerned Governmental Authorities, if required under Applicable Law or deemed appropriate, for such consents, approvals and sanctions which may be required to carry on the business of the Transferor Company.

16.1.8 The Transferor Company shall not vary the terms and conditions of service of the employees or conclude settlements with unions or

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employees, except in the ordinary course of business or consistent with past practice or pursuant to any pre-existing obligation without the prior written consent of the Board of Directors of the Transferee Company.






## PART III - GENERAL TERMS AND CONDITIONS

### 17 COMPLIANCE WITH TAX LAWS AS APPLICABLE TO THE SCHEME

**17.1** This Scheme is in compliance with the conditions relating to "amalgamation" as specified under Section 2(1B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said Section of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act.

**17.2** On or after the Effective Date, the Companies shall have the right to revise their respective financial statements and tax returns along with the prescribed forms, filings and annexures under the provisions of IT Act (including for the purpose of re-computing income-tax under the normal provisions, minimum alternative tax, and claiming other tax benefits), Wealth Tax Act, 1957, customs duty law, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and services tax, VAT law or other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax, tax deducted at source, goods and service tax etc.), and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme.

**17.3** As and from the Effective Date, all tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, all tax proceedings shall not in any way be

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prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.

**17.4** Any tax liabilities under the IT Act, Wealth Tax Act, 1957, Customs Duty Laws, Central Sales Tax, applicable State Value Added Tax, Service Tax Laws, Excise Duty Laws, Goods and Service Tax, VAT Law or other applicable laws/ regulations dealing with taxes, duties, levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred or stand transferred to Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and tax deducted at source and MAT credit as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.

**17.5** Any refund under the IT Act, Wealth Tax Act, 1957, Customs Duty Laws, Central Sales Tax, applicable State Value Added Tax, Service Tax Laws, Excise Duty Laws, Goods and Service Tax, VAT Law or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company due to Transferor Company consequent to the assessment made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

**17.6** Any tax payment (including, without limitation, Income-Tax, Minimum Alternate Tax, taxes withheld/ paid in a foreign country, Dividend Distribution Tax, Securities Transaction Tax, Sales Tax, Excise Duty, Custom Duty, Service Tax, Value Added Tax, Goods and Service Tax etc.) whether by way of deduction at source, Advance Tax or otherwise, howsoever, by the Transferor Company in respect of the profits or activities or operation of the business after the

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Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by the Transferor Company/ the Transferee Company including on payables to the Transferee Company/ the Transferor Company including on account of investments (if any) held by the Transferee Company in the Transferor Company which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.

**17.7** Obligation for deduction of tax at source on any payment made by or to be made by the transferor Company under the IT Act, Wealth Tax Act, 1957, Customs Duty Laws, Central Sales Tax, applicable State Value Added Tax, Service Tax Laws, Excise Duty Laws, Goods and Service Tax, VAT Law or other applicable laws/ regulations dealing with taxes/ duties/ levies shall be made or deemed to have been made and duly complied with by the Transferee Company.

**17.8** All deductions otherwise admissible to the Transferor Company including payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source (such as under Sections 40, 40A, 43B etc. of the IT Act) shall be available for deduction to the Transferee Company as it would have been available to the Transferor Company.

**17.9** The accumulated losses and the allowance for unabsorbed depreciation of the Transferor Company shall be deemed to be the loss and the allowance for unabsorbed depreciation of the Transferee Company in accordance with Section 72A of the IT Act.

**17.10** Further, the losses and unabsorbed depreciation as per books of account of the Transferor Company as on the date immediately preceding the Appointed Date shall be deemed to be the brought forward losses and unabsorbed depreciation

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of the Transferee Company for the purpose of computation of book profit to calculate the Minimum Alternate Tax payable by the Transferee Company.

**17.11** Without prejudice to the generality of the above, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per books of account, credits (including, without limitation Income Tax, Minimum Alternate Tax, tax deducted at source, taxes withheld/ paid in a foreign country, Wealth Tax, Service Tax, Excise Duty, Central Sales Tax, applicable State Value Added Tax, Customs Duty Drawback, Goods and Service Tax etc.) to which the Transferor Company are entitled to in terms of applicable laws, shall be available to and vest in the Transferee Company upon coming into effect of this Scheme.

**18 DISSOLUTION OF TRANSFEROR COMPANY**

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up without any further act or deed.

**19 AMENDMENT TO MEMORANDUM OF ASSOCIATION OF THE TRANSFEREE COMPANY, VALIDITY OF EXISTING RESOLUTIONS ETC.**

**19.1** The Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument, or deed, be and stand altered, modified and amended pursuant to Section 13 and other applicable provisions of the Act, as the case may be.

**19.2** In order to carry on the activities currently being carried on by the Transferor Company in relation to the Undertaking, upon coming into effect of the Scheme, the applicable main objects in the Memorandum of Association of the Transferor Company shall be added to the matters which are necessary for furtherance of the objects of the Memorandum of Association of the Transferee Company, to the extent such objects are not already covered by those of the Transferee Company.

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**19.3** It shall be deemed that the members of the Transferee Company have also resolved and accorded all relevant Consents under Section 13 of the Act. It is clarified that there will be no need to pass a separate Shareholders' resolution as required under Section 13 of the Act for the amendment to the Memorandum of Association of the Transferee Company. Further the Memorandum of Association of the Transferee Company relating to the Object Clause shall, without any further act, instrument, or deed, be and stand altered, modified and amended pursuant to applicable provisions of the Act, as the case may be.

**19.4** Upon the coming into effect of the Scheme and with effect from the Appointed Date, the resolutions of the Board of Directors of the respective Transferor Company, including resolutions of any committees authorized by and comprising inter alia of members of the Board of Directors of the Transferor Company, as are considered necessary by the Board of Directors of the Transferee Company and which are validly subsisting, shall be considered as resolutions of the Transferee Company.

## 20 APPLICATION TO NCLT

The Companies, shall, with all reasonable dispatch, simultaneously, make necessary Applications/ Petitions in the jurisdiction of the NCLT, where the registered offices of the Companies are situated at the time of filing, for sanctioning this Scheme and all matters ancillary or incidental thereto under Sections 230 to 232 and other applicable provisions of the Act.

## 21 MODIFICATIONS OR AMENDMENTS TO THE SCHEME

The Companies by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, may, collectively, make and/or Consent to any modifications/ amendments to the Scheme or to any conditions or limitations that NCLT or any other Governmental Authority may deem fit to

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direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Companies by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. In case, post approval of the Scheme by NCLT, there is any confusion in interpreting any clause of this Scheme, or otherwise, the Board of Directors of the respective Companies shall jointly have complete power to take the most sensible interpretation so as to render the Scheme operational.

**22 WITHDRAWAL OF THE SCHEME**

The Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Board of Directors of the respective Companies prior to the Effective Date. In such a case, the Companies shall respectively bear their own cost or as may be mutually agreed. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme, the Companies shall not be entitled to withdraw the Scheme unilaterally without the prior written Consent of the other.

**23 SCHEME CONDITIONAL ON APPROVALS / SANCTIONS**

**23.1** The Scheme is and shall be conditional upon and subject to the following:

**23.1.1** The requisite Consents, no-objections and approvals of the Stock Exchanges and SEBI to the Scheme in terms of the SEBI Circular and/or SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, on terms acceptable to the Companies;

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23.1.2 The Scheme being approved by respective requisite majorities in numbers and value of such classes of members and creditors of the Companies as may be directed by NCLT or required under Applicable Law;

23.1.3 The Scheme being sanctioned by NCLT under Section 230 to 232 of the Act, on terms as originally approved by or with such modifications as are acceptable to the Companies;

23.1.4 There having been no interim or final ruling, decree or direction by any Governmental Authority, which has not been stayed by an Appellate Authority, which has the effect of prohibiting or making unlawful, the consummation of the proposed Scheme by any of the Companies; and

23.1.5 The certified copy of the NCLT Order being filed with the Registrar of Companies by the respective Companies.

**24 EFFECT OF NON-RECEIPT OF APPROVALS/ SANCTIONS**

The Scheme shall not come into effect unless the conditions mentioned in Clause 23.1 above are satisfied and in such an event, the Scheme shall become null and void. Unless each of the conditions are satisfied, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Companies or their respective shareholders or creditors or employees or any other Person.

**25 COSTS, CHARGES AND EXPENSES**

All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or the NCLT Order including this Scheme or in relation to the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this scheme shall be borne and paid by the Transferee Company.

**26 MISCELLANEOUS**

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26.1 Upon coming into effect of the Scheme, all and any benefits which the Transferor Company is entitled to shall, without any further act, instrument, or deed, be in full force and effect against or in favour of the Transferee Company and may be enforced by or against the Transferee Company.

26.2 The Transferor Company shall provide notification/ procure the requisite approval/ consent to the extent required under the Applicable Law, from any relevant governmental authorities in relation to the Scheme.

26.3 If any part and/ or provision of this Scheme hereof is invalid, ruled illegal by any Court or Tribunal of competent jurisdiction or unenforceable under present or future laws or is unworkable, then it is the intention of the parties to the Scheme that such provision shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part and/ or provision shall cause this Scheme to become materially adverse to any party, in which case the parties to the Scheme shall attempt to bring about a modification in the Scheme, as will best preserve for such parties the benefits and obligations of the Scheme, including but not limited to such part and/ or provision.

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Certified True Copy
For SAH POLYMERS LIMITED
Company Secretary &
Compliance Officer

सत्यमेव जयते

**GOVERNMENT OF INDIA**
**MINISTRY OF CORPORATE AFFAIRS**

Central Registration Centre

# Certificate of Incorporation

[Pursuant to sub-section (2) of section 7 of the Companies Act, 2013 (18 of 2013) and rule 18 of the Companies (Incorporation) Rules, 2014]

I hereby certify that FIBCORP POLYWEAVE PRIVATE LIMITED is incorporated on this Thirty first day of July Two thousand seventeen under the Companies Act, 2013 (18 of 2013) and that the company is limited by shares.

The Corporate Identity Number of the company is U17309RJ2017PTC058691.

The Permanent Account Number (PAN) of the company is **AADCF1666R** *

Given under my hand at Manesar this Third day of August Two thousand seventeen .

Digital Signature Certificate
Mr SITARAM SHARAN GUPTA
Assistant Registrar of Companies
For and on behalf of the Jurisdictional Registrar of Companies
Registrar of Companies
Central Registration Centre

Disclaimer: This certificate only evidences incorporation of the company on the basis of documents and declarations of the applicant(s). This certificate is neither a license nor permission to conduct business or solicit deposits or funds from public. Permission of sector regulator is necessary wherever required. Registration status and other details of the company can be verified on www.mca.gov.in

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Mailing Address as per record available in Registrar of Companies office:

FIBCORP POLYWEAVE PRIVATE LIMITED
9-10 B, Saheli Marg, Udaipur, Udaipur, Rajasthan, India, 313001

* as issued by the Income Tax Department

(The Companies Act,2013)

(Company Limited by Shares)

MEMORANDUM OF ASSOCIATION OF

# FIBCORP POLYWEAVE PRIVATE LIMITED

1. The name of the Company is **"FIBCORP POLYWEAVE PRIVATE LIMITED".**

2. The Registered office of the Company will be situated in the State of Rajasthan, i.e. within the jurisdiction of the Registrar of companies, Rajasthan at Jaipur.

**** 3 (a) The objects to be pursued by the company on its incorporation are: -**

1.(a) To manufacture, weave, prepare, process, mould, blow, extrude, refine, repair, buy, sale, distribute, resale, export, import, deal and market in all kinds of plastic goods, packaging including plastic films, sheets, tubes, threads, yarns, streeppings, liners, Flexible Intermediate Bulk Containers, woven sacks, of high and low density polythene, polypropylene, bags, belts, containers, packing material of plastics.

(b) To carry on the business of manufacturers of and dealers in all kinds of equipment, machinery and accessories required to convert plastic material into industrial and commercial products by process method, including dipping, moulding, vacuum moulding, extrusion, calendaring, vulcanising, foaming, coating, film blending and other processes.

(c) To render consultancy service in the manufacturing and trading of all kinds of plastic products.

**3(b) Matters which are necessary for furtherance of the objects specified in clause 3(a) are:-**

1. To purchase or import, take on lease or in exchange, hire or otherwise acquire in any manner, any movable or immovable property and any rights or privileges, which the Company may think necessary or convenient for the purpose of its business and in particular any land, buildings, easements, machinery, plant, furniture & fixture and any other consumables including edibles, energy etc. as required for efficient running of the business of the company.

2. To enter into any arrangement with any Government or other authority, whether municipal, local or otherwise, or any person, whether natural or judicial, that may seem conducive to the company's objects or any of them and to obtain from any such Government or authority or person, any rights, privileges and concessions which the Company may think fit desirable to obtain; and to carry out, enjoy, exercise and comply with any such arrangements, rights, privileges and concessions.

3. To establish or support or aid in the establishment and support of associations, institutions, funds, trusts, and conveniences for the benefit of past or present employees or Directors or other persons directly or indirectly connected with the business of the Company, or the dependents of such persons; and to grant pension, allowances or any other assistance, to make payment towards insurance; to subscribe

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or guarantee money for charitable or benevolent objects or useful objects for general public.

4. To carry out all the business functions which are necessity for carrying out smooth and efficient operation of the business of the company, including maintaining & operating bank accounts, accepting loans through mortgage, pledge of property, assets etc. or avail the CC facility, engaging experts, consultants, advisors and professionals for various technical, legal issues.

5. To sell or dispose off, to improve, manage, develop or exchange the undertaking, property or rights of the company or any part thereof for such consideration as the company may think fit.

6. To distribute any of the Company's property among the members in specie in respect of the event of winding-up subject to the provisions of the Companies Act and the other provisions.

7. To form, promote, subsidies, organize, join in, assist or aid in forming, promoting, subsidizing, or gaining, or aiding companies having similar objects (whether as a subsidiary or otherwise), or partnerships of all kinds for the purpose of acquiring or taking over all or any of the property rights and liabilities of the Company or for carrying on any business, or for any other purpose which directly or indirectly can be done by the Company and also to acquire, purchase, merge, take over and / or amalgamate the Companies carrying on such business which, under existing circumstances from time to time may conveniently or advantageously be taken up by or combined with the business of the Company.

8. ***

**4.** The Liability of the Members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

***5.** The share capital of the Company is Rs. 72,00,000/- (Rupees Seventy-Two Lakhs only) divided into 72,000 (Seventy-Two Thousand) Equity shares of Rs.100/- (Rupees Hundred only) each.

Note: -

* increase in authorized share capital from Rs. 1,00,000 (Rupees one Lakhs only) divided into 1,000 (One Thousand) Equity Shares of Rs. 100 /- (Rupees Hundred) each to Rs. 50,00,000 Rupees Fifty Lakhs Only) divided into 50,000 (Fifty Thousand) Equity Shares of Rs. 100/- (Rupees Hundred) each through ordinary resolution passed at the extra ordinary general meeting of the company held on 12th December 2017.

*increase in authorized share capital from Rs. 50,00,000 (Rupees Fifty Lakhs Only) divided into 50,000 (Fifty Thousand) Equity Shares of Rs. 100/- (Rupees Hundred to Rs. 52,00,000 (Rupees Fifty-two Lakhs Only) divided into 52,000 (Fifty-two Thousand) Equity Shares of Rs. 100/- (Rupees Hundred) each through ordinary resolution passed at the extra ordinary general meeting of the company held on 15th February 2020.

*increase in authorized share capital from Rs. 52,00,000 (Rupees Fifty-two Lakhs Only) divided into 52,000 (Fifty-two Thousand) Equity Shares of Rs. 100/- (Rupees Hundred) each to Rs. 72,00,000 (Rupees Seventy-two Lakhs Only) divided into 72,000 (Seventy-Two Thousand) Equity Shares of Rs. 100/- (Rupees Hundred) each through ordinary resolution passed at the extra ordinary general meeting of the company held on October 1, 2020.

** Alteration to the Memorandum of Association('MOA') by deleting the existing object clause 3(a) and substituting in its place a new clause 3(a) through special resolution passed at the extra ordinary general meeting of the company held on April 25, 2024.

*** Alteration of the existing clause 3(b)(8) of the Memorandum of Association by deleting the same through special resolution passed at the extra ordinary general meeting of the company held on April 25, 2024.

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**6.** We, the several persons, whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of this memorandum of association, and we respectively agree to take the number of shares in the capital of the company set against our respective names:

| **Names, addresses, descriptions description and occupations of subscribers** | **No. of shares taken by each subscriber** | **Signature of subscriber** | Signature, Names, Addresses, Descriptions and Occupations of Witness |
|---|---|---|---|
| Murtaza Ali Moti,<br>09-10B Saheli Nagar, Udaipur<br>313001,<br>Director<br>DIN: 07876224 | 500 Equity Shares | Sd/- | I witness to subscriber(s), who have subscribed and signed in my presence (dated 29/07/2017 at Udaipur); further I have verified their Identity Details (ID) for their identification and satisfied myself of their identification particulars as filled in<br>Sd/-<br>ACA Navratan Kumawat<br>203, Kothari Impex, 24 Patho Ki Magri, Sevashram Udaipur, Chartered Accountant 313001<br>Membership number: 419557 |
| Fatima Moti,<br>09-1OB Saheli Nagar, Udaipur,<br>313001,<br>Director<br>DIN: 07876195 | 500 Equity shares | Sd/- | |
| Total Shares taken | 1000.00 Equity shares | | |

Date: 29th day of July, 2017

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(THE COMPANIES ACT, 2013)
(COMPANY LIMITED BY SHARES)

# ARTICLES OF ASSOCIATION
# OF
# FIBCORP POLYWEAVE PRIVATE LIMITED

## PRELIMINERY

1. Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company.

## INTERPRETATION

2. (1) In these Regulations:-
   (a) "Company" means **PRIVATE LIMITED**
   (b) "Office" means the Registered Office of the Company.
   (c) "Act" means the Companies Act, 2013, and any statutorymodification thereof.
   (d) "Seal" means the Common Seal of the Company.
   (e) "Directors" means the Directors of the Company and includespersonsoccupying the position of the Directors by whether namescalled.

   (2) Unless the context otherwise requires words or expressions contained in these Articles shall be the same meaning as in the Act, or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

## PRIVATE COMPANY

3. The Company is a Private Company within the meaning of Section 2(68) of the Companies Act, 2013 and accordingly:-

   (a) The right to transfer shares in the Company is restricted in the manner and to the extent hereinafter appearing

   (b) The number of members of the Company (exclusive of persons who are in the employment of the Company, and persons who having been formerly in the employment of the Company, were members of the Company while in the employment and have continued to be members after the employment ceased) shall be limited to two hundred; provided that for the purpose of this definition where two or more persons jointly hold one or more shares in the Company, they shall be treated as a single member, and.

   (c) No invitation shall be issued to the public or subscribe for any securities of the Company.



**SHARE CAPITAL AND VARIATION OF RIGHTS**

4.

(a) The Authorized Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes an d attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.

(b) The minimum paid up Capital of the Company shall be Rs.1, 00,000/-(Rupees One Lac).

5. The business of the Company may be commenced soon after the incorporation of the Company as and when the Directors shall think fit notwithstanding that part of the shares have been allotted.

6. The shares shall be under the discretionary control of the Directors who may allot or otherwise dispose of the same.

7. The Company in general meeting may decide to issue fully paid up bonus share to the member if so recommended by the Board of Directors.

8. The certificate to share registered in the name of two or more people shall be delivered to first named person in the register and this shall be a sufficient delivery to all such holders.

9.

*(i)* Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:

*(a)* One certificate for all his shares without payment of any charges; or

*(b)* Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

*(ii)* Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid -up thereon.

*(iii)* In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.



10.

*(i)* If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

*(ii)* The provisions of Articles (9) and (10) shall *mutatis mutandis* apply to debentures of the company.

11. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or(except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

12.

*(i)* The company may exercise the powers of paying commissions conferred by sub-section (*6*) of section 40, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.

*(ii)* The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

*(iii)* The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

13.

*(i)* If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

*(ii)* To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one third of the issued shares of the class in question.

14. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed tobe varied by the creation or issue of further shares ranking *paripassu*therewith.

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15. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

**LIEN**

16. The Company shall have a first and paramount lien upon all the shares(not being a fully paid up share) registered in the name of such member(whether solely or jointly with others) and upon the proceeds of sale thereof for his debts, liabilities and engagements (whether presently payable or not) solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfillment or discharge thereof shall have actually alien or not and such lien shall extend to all dividends, from time to time, declared in respect of shares, subject to section 124 and bonuses declared from time to time in respect of such shares under the Act. The Board of Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this clause.

**CALLS ON SHARES AND TRANSFER OF SHARES**

17. The Directors are empowered to make call on members of any amount payable at a time fixed by them.

18. Any member desiring to sell any of his shares must notify the Board of Directors of the number of shares, the fair value and the name of the proposed transferee and the Board must offer to the other share holders the shares offered at the fair value and if the offer is accepted, the shares shall be transferred to the acceptor and if the shares or any of them, are not so accepted within one month from the date of notice to the Board the members proposing transfers shall, at any time within three months afterwards, be at liberty, subject to Articles 19 and 20hereof, to sell and transfer the shares to any persons at the same or at higher price.

    In case of any dispute, regarding the fair value of the share it shall be decided and fixed by the Company's Auditor whose decision shall be final.

19. No transfer of shares shall be made or registered without the previous sanction of the Directors, expect when the transfer is made by any member of the Company to another member or to a member's wife orchid or children or his heirs and the Directors may decline to give such sanction without assigning any reason subject to Section 58 and 59 of the Act.

20. The Directors may refuse to register any transfer of shares (1) where the Company has a lien on the shares or (2) where the shares are not fully paid up shares, subject to Section 58 and 59 of the Companies Act, 2013.

21. Subject to Section 58 and 59 of the Act, the Directors may in their discretion, without assigning any reason, refuse to register the transferor any shares to any person, whom it shall, in their opinion, be undesirable in the interest of the Company to admit to membership.

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22. At the death of any members his or her shares arerecognized as the property of his or her heirs upon production of reasonable evidence as maybe required by the Board of Directors.

23. The instrument of transfer must be accompanied by the certificates of shares.

**TRANSMISSION OF SHARES**

24.

*(i)* On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.

*(ii)* Nothing in clause (*I*) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

25.

*(i)* Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:

*(a)* to be registered himself as holder of the share; or
*(b)* To make such transfer of the share as the deceased or insolvent member could have made.

*(ii)* The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

26.

*(i)* If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

*(ii)* If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

*(iii)* All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

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27. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends another advantages to which he would been titled if he were the registered holder of the share, except that he shall not, before being registered as member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company :

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

**FORFEITURE OF SHARES**

28. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

29. The notice aforesaid shall—

*(a)* Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

*(b)* State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

31.

*(i)* A forfeited share may be sold or otherwise disposed of on such terms andin such manner as the Board thinks fit.

*(ii)* At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

32.

*(i)* A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

*(ii)* The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

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33.

*(i)* A duly verified declaration in writing that the declared is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

*(ii)* The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share infavor of the person to whom the share is sold or disposed of.

*(iii)* The transferee shall thereupon be registered as the holder of the share.

*(iv)* The transferee shall not be bound to see to the application of the purchasemoney, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

34. The provisions of these regulations as to forfeiture shall apply in thecae of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

**ALTERATION OF CAPITAL**

35. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in there solution.

36. Subject to the provisions of section 61, the company may, by ordinary resolution:

*(a)* Consolidate and divide all or any of its share capital into shares oflargeramount than its existing shares;

*(b)* Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

*(c)* sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

*(d)* Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock:

*(a)* the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

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Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

*(b)* the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

*(c)* Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law:

*(a)* Its share capital;
*(b)* Any capital redemption reserve account; or
*(c)* Any share premium account.

**CAPITALISATION OF PROFITS**

39.

*(i)* The company in general meeting may, upon the recommendation of theBoard, Resolve:

*(a)* that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

*(b)* That such sum is accordingly set free for distribution in the manner specified in clause *(ii)* amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

*(ii)* The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause ( *iii*), either in or towards:

*(A)* paying up any amounts for the time being unpaid on any shares held by such members respectively;

*(B)* Paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions afore said;

*(C)* Partly in the way specified in sub-clause *(A)* and partly in that specifiedinsub-clause *(B)*;

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(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40.

(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(a) make all appropriations and applications of the undivided profits resolvedtubecapitalized thereby, and all allotments and issues of fully paid shares if any; and

(b) Generally do all acts and things required to give effect thereto.

(ii) The Board shall have power:

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and

(b) to authorize any person to enter, on behalf of all the members entitled there to, into an agreement with the company providing for the allotment totem respectively ,credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

**BUY-BACK OF SHARES**

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

**GENERAL MEETINGS**

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.

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43.

*(i)* The Board may, whenever it thinks fit, call an extraordinary general meeting.

*(ii)* If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

**PROCEEDINGS AT GENERAL MEETINGS**

44.

*(i)* No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

*(ii)* Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

45. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

46. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

48.

*(i)* The Chairperson may, with the consent of any meeting at which quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

*(ii)* No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

*(a)* When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

*(b)* Save as aforesaid, and as provided in section 103 of the Act, it shall note necessary to give any notice of an adjournment or of the business tube transacted at an adjourned meeting.

Fibcord Polyweave Private Limited

## VOTING RIGHTS AND PROXY

49. Subject to any rights or restrictions for the time being attached to any class or classes of shares:

*(a)* on a show of hands, every member present in person shall have onevote;and

*(b)* On a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

50. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

51.

*(i)* In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

*(ii)* For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

52. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

53. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.

54. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

55.

*(i)* No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote neither objected to be give nor tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

*(ii)* Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

56. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.



57. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

58. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

**BOARD OF DIRECTORS**

59. The number of Directors shall not be less than two and not more than fifteen.

60. The following shall be the First Directors of the Company.

*(i)* MURTAZA ALI MOTI
*(ii)* FATIMA MOTI

61. The Directors may from time to time, appoint one or more of their body to the office of the Managing Director for one or more of the divisions of the business carried on by the Company and to enter into agreement with him in such terms and conditions as they may deem fit.

62. Subject to the provisions of section 149, the Board of Directors, at anytime and from time to time, to appoint any person as additional Director in addition to the existing Director so that the total number of Directors shall not at any time exceed the number fixed for Directors in these articles, Any Directors so appointed shall hold office only until the next following Annual General Meeting but shall be eligible thereof for election as Director.

63. The Managing Director may be paid such remuneration as may, from time to time, be determined by the Board and such remuneration as may be fixed by way of salary or commission or participation in profits or partly inane way or partly in another subject to the provisions of the Companies Act, 2013.

64. The quorum necessary for the transaction, of the business of the Board meeting subject to Section 174 of the Act, shall be one third of the total strength or at least two whichever is higher. The participation of the directors by video conferencing or by other audio visual means shall also be count for the purpose of quorum.

65. Subject to section 175 of the Act, a resolution in writing signed by the Director except a resolution which the Act specifically required it to bypass at a Board meeting shall be effective for all purposes as are solution passed at a meeting of Directors duly called, held and constituted.



**PROCEEDINGS OF THE BOARD**

66.

*(i)* The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

*(ii)* A director may, and the manager or secretary on the requisition of director shall, at any time, summon a meeting of the Board.

67.

*(i)* Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

*(ii)* In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

68. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

69.

*(i)* The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

*(ii)* If no such Chairperson is elected, or if at any meeting the Chairpersonsnot present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

70.

*(i)* The Board may, subject to the provisions of the Act, delegate any of itspowersto committees consisting of such member or members of its body as it thinks fit.

*(ii)* Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

71.

*(i)* A committee may elect a Chairperson of its meetings.

*(ii)* If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.



72.

*(i)* A committee may meet and adjourn as it thinks fit.

*(ii)* Questions arising at any meeting of a committee shall be determined bay majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

73. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to bee director.

74. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, forth time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at meeting of the Board or committee, duly convened and held.

**CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

75. Subject to the provisions of the Act:

*(i)* A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of are solution of the Board;

*(ii)* A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

76. A provision of the Act or these regulations requiring or authorizingaching to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, Orin place of, chief executive officer, manager, company secretary or chief financial officer.

**COMMON SEAL**

77.

(a) The Common Seal of the Company may be made either of metal roof rubber as the directors may decide.

(b) The Board shall provide for the safe custody of the Company's Common Seal.

(c) The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Boardauthorized by it in that behalf and except in the presence least one director who shall sigh every instruments to which the seal of the Company if so affixed. The share certificate will, however, be signed and sealed in accordance with Rule prescribed by Central Government in this regard.

Fibcorp Polyweave Private Limited UDAIPUR

## BORROWING POWERS

78. Subject to section 73 and 179 of the Companies Act. 2013, and Regulations made there under and Directions issued by the RBI the directors may, from time to time, raise or borrow any sums of money for and on behalf of the Company from the member or other persons, companies or banks or they may themselves advance money to the company on such interest as may be approved by the Directors.

79. The Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they deem fit and in particular by the issue of bonds or debentures or by pledge, mortgage, charge or any other security on allot any properties of the Company (both present and future) including its uncalled capital for the time being.

## OPERATION OF BANK ACCOUNTS

80. The Directors shall have the power to open bank accounts to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hardies and bills or may authorize any other person or persons to exercise such powers.

## DIVIDENDS AND RESERVE

81. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

82. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

83.

*(i)* The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable foray purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

*(ii)* The Board may also carry forward any profits which it may consider necessarymotto divide, without setting them aside as a reserve.

84.

*(i)* Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

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(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amountspaid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from particular date such share shall rank for dividend accordingly.

85. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

86.

(i) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cherub or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cherub or warrant shall be made payable to the order of the person to whom it is sent.

87. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

88. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

89. No dividend shall bear interest against the company.

**ACCOUNTS**

90.

(a) The Board shall, from time to time, determine whether and to what extent and at what, times and places and under what conditions or regulation the accounts and books of the Company or any of them shall be open to the inspection of members (not being Director).

(b) No members (not being Director) shall have any right of inspecting any accounts or books of account of the Company except as conferred by law or authorized by the Board or by the Company in General Meeting.

91. The Directors shall in all respect comply with the provisions of Section128,134, 137, 206, 207 and 208, of the Act, and profits and Loss Account, Balance Sheet and Auditors Report and every other r document required by law to annexed or attached as the case may be, to the Balance Sheet, to be sent to every member and debenture holder of the Company and every trustee for the holders of the debentures issued by the Company at least twenty one days before the date of Annual general meeting of the



Company at which they are to be laid, subject to the provisions of section 136 of the Act.

**AUDIT**

92.

(a) The first Auditor of the Company shall be appointed by the Board of Directors within one month from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.

(b) At first annual General Meeting the Company shall appoint an Auditor to hold Office from the conclusion of the Meeting till the conclusion of its sixth Annual General Meeting and thereafter till the conclusion of every six meeting.

(c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.

**WINDING UP**

93. Winding up when necessary will be done in accordance with the requirements of the Companies Act, 2013 or statutory modification thereto.

**SECRECY**

94. Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the company shall, if so required by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and testate of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

**INDEMNITY**

95. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favor or in which he is acquitted or in which relief is granted to him byte court or the Tribunal.



We the several person whose name and address are subscribed, are desirous of being formed into a company in pursuance of this Articles of association:

| Signature, Names, Addresses, Descriptions and Occupations of Subscribers | Signature of Subscribers | Signature of Witness, his Names and Addresses with occupation |
|---|---|---|
| Murtaza Ali Moti, 09-10B Saheli Marg, Udaipur Rajasthan 313001, Professional | Sd/- | I Witness to Subscribers who subscribed and signed in my presence on dated 03-08-2014, Place Udaipur, further & have verified their details (ID) for their identification and satisfied myself of their identification particulars filled in<br>Sd/-<br>Navratan Kumawat S/o Shri Hajari Lal Kumawat<br>24, Patho Ki Magri, 203, Kothari Impex Sevashram Udaipur (Rajasthan) 313001 |
| Fatima Moti,09-10B Saheli Marg, Udaipur Rajasthan 313001, Professional | Sd/- | |
| Date : 31-07-2017<br>Place : Udaipur | | |



Annexure-3

C.No. 17-0 6657

**FRESH CERTIFICATE OF INCORPORATION**
**CONSEQUENT ON CHANGE OF NAME**

**IN THE OFFICE OF THE REGISTRAR OF COMPANIES,**

**RAJASTHAN, JAIPUR**

**(Under the Companies Act, 1956 (1 of 1956)**

IN THE MATTER OF PEACOCK CONTINENTAL LIMITED

I hereby certify that Peacock Continental Limited

which was originally incorporated on 20th April, 1992 having duly passed the necessary resolution in terms of Section 21 of Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded there to in the Ministry of Industry, Law, Justice & Company Affairs, Department of Company Affairs Office of the Registrar of Companies, Rajasthan Jaipur vide his letter No. R.O.C. /Approval/21/ 5846 dated 24.7.98 the name of said Company is this day changed to SAH POLYMERS LIMITED.

and this certificate is issued Pursuant to Section 23 (1) of the said Act.

Given under my hand at JAIPUR this 24th day of July, One thousand nine hundred an nety Eight.

(K.L. KAMBOJ)
Registrar of Companies,
Rajasthan, Jaipur

SAH POLYMERS LTD. UDAIPUR

सत्यमेव जयते

प्रारूप आई० आर०
Form I. R.

निगमन का प्रमाण-पत्र

# CERTIFICATE OF INCORPORATION

सं०..... का सं०.....

No. of 17-06657 1992-93

मैं एतद्द्वारा प्रमाणित करता हूं कि आज

पिकॉक कोंटीनेंटल लिमिटेड

कम्पनी अधिनियम 1956 ( 1956 का 1 ) के अधीन निगमित की गई है और यह कम्पनी परिसीमित है।

I hereby certify that PEACOCK CONTINENTAL LIMITED

is this day incorporated under the Companies Act, 1956 ( No. 1 of 1956 ) and that the Company is Limited.

मेरे हस्ताक्षर से आज दा०..... को दिया गया।

Given under my hand at JAIPUR this TWENTY SIX day of APRIL One thousand nine hundred and NINETY TWO

SAKA : 31 CHAITRA, 1914

( M. S. AGARWAL )
कम्पनियों का रजिस्ट्रार
राजस्थान, जयपुर
Registrar of Companies
Rajasthan, Jaipur

कम्पनियों का रजिस्ट्रार Registrar of Companies Rajasthan JAIPUR राजस्थान, जयपुर

SAH POLYMERS LTD. UDAIPUR

Co. No. 17-06677

# Certificate for Commencement of Business

Pursuant of section 149 (3) of the Companies Act, 1956

I hereby certify that the PEACOCK CONTINENTAL LIMITED

which was incorporated under the Companies Act, 1956, on the 20th day of APRIL 1992 and which has this day filed a duly verified declaration in the prescribed form that the conditions of section 149 (1) (a) to (d)/149 (2) (a) to (c) of the said Act, have been complied with, is entitled to commence business.

Given under my hand at JAIPUR

this FOURTH day of NOVEMBER

One thousand nine hundred and NINETY TWO

( D. K. GUPTA )
Registrar of Companies.
Rajasthan, Jaipur.

J. S. C. 10.
MGIPTC—1313 (1313)—4-10-93—3,000.

SAH POLYMERS LTD. JAIPUR

(THE COMPANIES ACT, 1956)

(COMPANY LIMITED BY SHARES)

MEMORANDUM OF ASSOCIATION OF

# SAH POLYMERS LIMITED*

I The name of the company is SAH POLYMERS LIMITED*

II The Registered Office of the Company will be situated in the State of Rajasthan.

III The objects for which the company is established are:

(A) THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE :***

1. To carry on the business of manufacturers of and dealers in plastic moulded goods of all kinds and for all purposes and in rubber and plastic tubes and tyres and in bottles, containers, tubes, thermowares, drums, crates, furniture, tanks, doors, windows, flaskwares, furnitures wrapping materials, foams rubber and plastic product, transmission belts and conveyors, and similar industrial articles, pipes, tubes, hoses, rubber containers and rubber lined vessels, tanks, equipments, pipes, and similar equipments, electric products, electronic product, shoe products and parts thereof, either rubber products and parts, toys, insulating materials and all other blown, moulded, formed, extruded, cleandered and dipped good and articles.

2. To carry on the business of manufacturers of processors, importers, buyers, sellers, stockiest, agents, distributors and dealers in all kinds of plastic materials of poly propylene films, bags, plastic Sutli, nylon fishing materials styrene, propylene, vinyl chloride, poly vinyl chloride polyethylene, polyolifines, vinyl acetake and copolymers of one or more of the above and / or other products, acrylics and polyesters, polycarbonates and polyethers and epoxy resins and compositions, P- F, U-F-and other thermosetting resins and moulding compositions nylon rilson and similar thermoplastics, moulding compositions including prefabricated sections and shapes, cellulosic plastics and other thermosetting and thermoplastic materials and plastic products and goods including poly vinyl chloride pipes, sheets, fimings, conduit pipes and ancillary products, resins, high density and low density polythene products.

3. To render consultancy service in the manufacture of all kinds of rubber, plastics and moulded goods.

SAH POLYMERS LTD. UDAIPUR

(B) MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A):****

| | | |
|---|---|---|
| 1 | To manufacture, purchase or contract for immediate or future delivery, sell, export, import and deal in all materials, stores, substances and other articles and things capable of being uses in the attainment of the objects of the company. | Materials, stores and substances |
| 2. | To purchase, take on lease or exchange, hire or otherwise acquire, repairs, maintain, alter, replace, remove, enlarge all kinds of plant, machineries, tools, equipments or appliances and other articles as may be necessary or required for the mill, factory, workshop and office of the company. | Plant and machineries |
| 3. | To purchase, take on lease or exchange, hire or otherwise acquire any land, properties, whether movable or immovable to improve, manage, develop or turn to account the same by constructing buildings, reservoirs, bridges, sidings, ware houses, roads, factories, mill shops and erecting plant and machinery or otherwise as may be deemed necessary for the attainment of the main objects of the company. | Building and office structure |
| 4. | To Purchase or take on lease or otherwise acquire the business, goodwill, property, rights and liabilities of any person, firm or company carrying on or proposing to carry on any business which the company is authorised to carry on or possessed of any properties and rights suitable for any of the purpose of the company or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the company. | Purchase lease of acquire |
| 5. | To apply for purchase or otherwise acquire and protect and renew any patents, patent-rights, inventions, trademarks, designs, licences concessions and like, conferring any exclusive or non-exclusive or limited rights to their use or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company and use, exercise, develop, grant, licences in respect thereof or otherwise turn to account the property rights or informations so acquired and to expand money in experimenting upon, testing or improving any such patents inventions or rights. | Patent |
| 6. | To produce, manufacture, use or otherwise acquire, sell, distribute, deal in and dispose of all articles, substances, products appliances, appartus and things of every class or description capable of being used in the attainment of the objects and to do all such other things as are incidental or conducive to the attainment thereof. | General business |
| 7. | To carry on or assist or participate in any other trade or business whether financial, commercial, mercantile, manufacturing or otherwise which may seem capable of being conveniently carried on in connection with any of the above specified businesses or calculated directly profitable to the company's business or to enhance the value of any of the company's property or rights. | Participating another business |
| 8. | To establish and maintain any agencies in any part of the world for the conduct of the business of the company or for the purchase or sale of any materials or things for the time being at the disposal of the company. | Agency |

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| | | |
|---|---|---|
| 9. | To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interests, by publication of books and periodicals and by granting prizes, rewards and donations subject to the provisions of law. | Publicity |
| 10. | To enter into any arrangements and to take all necesary or proper steps with government or with other authorities, supreme, national, local, municipal or otherwise of any place in which the Company may have interests and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modifications in the constitution of the Company or furthering the interests of its member and to oppose any such steps taken by the other company, firm or persons which may be considered likely directly or indirectly to prejudice the interest of the company or its members and to promote or assist the promotion, whether directly or indirectly, of any legislation which may appear to in the interests of thecompany and lawfully to oppose and resist, whether directly or indirectly, of any legislation which may appear to in the interest of the company and lawfully to oppose and resist, whether directly or indirectly of any legislation which may seem disadvantageous to the Company and to obtain from any such government, authority or any Company and charters, contracts, decrees, rights, grants, loans, privileges or concessions which the company may think it desirable to obtain and carry out, exercise and comply with any such arrangements, charters, decrees, rights, privileges or concessions. | Dealing with goverment and other authorities and to protect the interest of company |
| 11. | To pay any rights or property acquired by the company and to remunerate any person, firm or body corporate rendering services to the company either by cash payment or by allotment to him or them of shares or securities of the company as paid up in full or in part or otherwise. | Payment for property and service |
| 12. | Subject to the provisions of the Companies Act 2013, to invest any moneys of the Company in such investments (other than shares or stock in the Company) as may be thought proper and to hold, sell or otherwise deal with such investments. | Investment |
| 13. | Subject to the provisions of Section 73 of the Companies Act, 2013 and the rules framed there under and the directions issued by the Reserve Bank of India from time to time to receive money on deposit or loan and borrow or raise money in such manner as the company shall think fit and in particular by the issue of debentures or debenture-stock(perpetual or otherwise) and to secure the repayment of any money so borrowed, raised by mortgage, charge or lien upon all or any of the property or assets of the company (both present and future), including its uncalled capital and also by a similar mortgage charges or line to secure and guarantee the performance by the Company or any other person or persons or Company of the obligation undertaken by the Company or any other person or Company as the case may be. | Borrowing |
| 14. | To pay for preliminary and Preincorporation expenses of the Company. | Preliminary expenses |
| 15. | To drew, make, accept, endorse, discount, execute, buy, sell, collect, issue, negotiate, assign and otherwise deal in cheques, drafts, bills of exchange. | Negotiable instruments |

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promissory notes, hundies, debentures, bonds, bills of lading, railways receipts, warrants, coupons and all other negotiable instruments or transfer instruments or securities.

16. Subject to the provisions of the Companies Act, 2013 to amalgamate or to enter into partnership or into any arrangement for sharing profits union of interests, co-operation joint-venture or reciprocal concession with any person or persons or Company or Companies or bodies corporate carrying on or engaged in or being authorised to carryon or engage in, any business or transaction which the Company is authorised to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit of the Company. — Amalgamation and partnership

17. To form, incorporate or promote any Company or Companies, whether In India or elsewhere, having amongst us or their objects the acquisition of all or any of the assets or development of the company or any other object or objects which in the opinion of the company could or might directly or indirectly assist the company in the development of its properties or otherwise prove advantageous to the company and to pay all or any of the costs and expenses incurred in connection with such promotion or Incorporation and to remunerate any person or company in any manner as it shall think fit for services rendered or to be rendered in obtaining subscription of or placing of any shares in the capital of such company or bonds, debentures, obligations, or securities of such company. — Promotion

18. Subject to the provision of the Companies Act, 2013 to lead, advance money or otherwise provide financial assistance, either with or without security to such person (including government) having dealing with the Company engage in any such business, as may be considered likely directly or indirectly to further the main objects of the Company or interests of its shareholders on such terms and conditions as may be deemed in the interest of the Company. — Financial assistance

19. To provide guarantee and indemnities for the performance of any contract or obligations of any Company, corporation, firm or person in any case, in which such guarantee may be considered likely directly or indirectly to further the main objects of the Company or the interest of the shareholders. — Guarantee

20. To open an account or accounts with any bank or banks and to operate the same. — Bank account

21. To distribute amongst the member in species or kind any property of the Company or any proceeds of sale or disposal of any property of the Company in the event of its winding up but so that so no distribution amounting to a reduction of capital be made except with the sanction for the time being required by law. — Distribution in species

22. To undertake or promote scientific research related to any business or class of business in which the Company is interested. — Scientific research

23. To acquire or set up residential accommodation and to afford facilities and conveniences for washing, bathing, cooking, reading, writing and run schools, college, training and professional institutions, music and dance centres for the welfare of the employees of the company. — Welfare of employees

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24. To become members of the bodies of persons and associations, including societies, clubs and Companies limited by guarantee whether formed for profit or non-profit making or other activities. — Become member

25. To sell, dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other Company having objects altogether of in part similar to the objects of the Company. — Disposal of undertaking of property

26. To establish and maintain, procure the establishment and maintenance of any contributory or non-contributory pension or superannuation, provident, family pension or gratuity funds for the benefit of and give or procure the giving of the donations gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company or of any company which is a subsidiary of the Company or is allied to or associated with Company or with any such subsidiary Company or who are or were at any time Directors of officers of the Company or any such other Company as aforesaid and the wives, widows, families and dependents of any such persons and also to establish and subsidies and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interest and well being of the Company or of any such other Company as aforesaid and make payments to or towards the insurance of any such persons as aforesaid and to any of the matters aforesaid, either alone or in conjunction with any such Company as aforesaid. — Institution for funds

27. To procure the company to be registered or recognized, in or under the laws of any place outside India and to do all acts necessary for carrying on in any foreign country the business or profession of the company. — To carry business in foreign country

28. To create any depreciation fund, reserve fund, insurance fund, sinking fund or any other special fund whether for depreciation of repairs, replacement, improvement, extension or maintenance of any of the properties of the Company by way of investment allowance reserve or for redemption of debentures or redeemable preference shares or for any other purpose conducive to the interests of the Company. — Creation of funds

29. To subscribe, contribute, gift of donate any money, rights or assets for any national, educational, religious, charitable, scientific, public, general or useful object or to make gift or donations of money or other assets to any institutions, clubs, societies, associations, trusts, scientific research associations, funds, universities, colleges or any individual or bodies of individuals or bodies corporate but no such donation shall be made to any political in law. — Gifts and donations

30. To aid, pecuniarily or otherwise, any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade. — Aid to labour and other Industrial association

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| 31 | To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the aforementioned business or any of them or calculated directly or indirectly to benefit the company. | Other business |
| 32. | To carry on the business of agents, brokers, sellers, buyers, exporters, importers, marchants, tradesman, stockists, manufacturer's representatives, distributors of all kinds of goods and merchandise. | Agents |
| 33. | To carry on all or any the businesses of producing, distribution and exhibiting films and motion pictures, including the construction, running and owning of theaters, cinemas, studios and conducting cinematographic shows and photographic equipments and materials. | Films |
| 34. | To carry on the business of husbandry, gardening, nursery, seeds, dairy farming, sheep farming, poulty farming, bee keeping and breeding in plants and live stock of all kinds of producing, supplying and dealing in animal products such as milk, butter and ghees etc. | Farming and horticulture |
| 35. | To carry on all or any of the businesses of undertaking or arranging for the writing and publication of books, magazines, journals or pamphlets on subjects relating to trade, commerce, industry, agriculture medicine, banking, insurance, investment, taxation, finance, economic law and other subjects. | Publishers |
| 36. | To carry on the business of undertaking and setting up projects on turn key basis. | Project |
| 37. | To manufacture, produce, refine, prepare, purchase, store, sell and to trade and deal in petroleum and all kinds of mineral oils and all products and by-products thereof including wax, paraffin, soap, lubricants, illuminants and butter subsitues oil cloth, candles, glycerine and stearine. | Oils |
| 38. | To carry on development and research work and to manufacture calcine, refine, process, import, export, buy, sell and deal in petroleum coke, calcined coke and coal tar, antoracite coal and to draw out, manufacture and deal in coal tar, canlion products and other by-products as may be possible and also waste gasses for industrial uses and purposes. | Calcined coke |
| 39 | To engineers, develop, design, assemble, manufacture, produce, import, export, buy,sell,operate, run,let on hire and otherwise deal in all kinds of earth moving and agricultural machinery petrol and diesel engines, tooks, plants, tractors, equipments,spares appliances, implements and accessories,mobile or otherwise, heavy vehicles and machine for Agricultural and land reclamation, drainage, irrigation, waterworks, engineering, forest clearing, pumping and other purposes, spraying machines, vehicles and equipments,whether mobile or otherwise,mobile workshop and garage equipments for repair and service station; tubewells, pumps, floating or otherwise, motor and irrigation machinery and transportation equipments for movement of its products or stores, machine or personals. | Agriculture machinery |

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| 40. | To organise, run maintain, operate, promote the business of interior decorators, statue makes, furniture and carpet designers and manufacturers, boutiques, operators of fashion centres,fashion shows,and to make, acquire,deal in any way in handicrafts, objects of art, precious stones, jewellery, whether artifical or otherwise and articles wherein precious metals or precious stones may be used, in textile fabrics and to manufacture and deal in any products as are dealt in by boutiques, fashion shows and interior decorators. | Interior decorators status makers |
| 41. | To erect, build, maintain and let out on hire or rent warehouses, and cold Storage rooms and to provide for refrigeration and to carry on and undertake storage, packing, removal, carrying, delivery, purchase, sale and exchange of fruits and vegetables and all kinds of goods and to carry on the business of the cold storage company in all its branches. | Cold storage |
| 42. | To carry on all or any of the businesses of manufacturers of and dealers in wood products, including plywood, matches, furniture, boxes, windows, doors, tools and other articles and products in which timber or wood is substantially used and to acts as timber merchants and saw mill proprietors. | Wood products |
| 43. | To carry on the business of preservation, canning, bottling, deep freezing and dehydration of all kinds of fruits and their juices, vegetables and their juices and all kinds of agricultural produce. | Agriculture |
| 44. | To carry on all or any of the businesses as manufacturers, dealers, hirers, repairs and warehouses of motor wagons, motor lorries, motor cars, motor cabs, motor tractors, motor internal combustion engines, steam engines, refrigerators and all kind of machineries scooters, cycles, bicycles, tricycles, carriages, vehicles and conveyances of all kinds whether propelled or assisted by means of petrol, diesel, oil, spirit, steam, gas, electricity, atomic or other powers. | Automobiles |
| 45. | To carry on all or any of the business of constructional engineers, architects, builders, contractors, decorators, electricians, wood workers and to acquire, develop, buy sell real estate, multistoried or other buildings. | Architects |
| 46. | To carry on the business and to make loans, give guarantee and provide securities to any other company or business whether promoted and or by this company not provided that the company shall not carry on Banking regulations Act, 1949. | Investment |
| 47. | To carry on the business as manufactures of organic, inorganic chemicals, fertilizers and manures, distillers, dye makers and gas makers. | Chemical and fertilizers |
| 48. | To manufacture, repair, remodel, maintain, import export and deal in Printing machineries and type, automatic or manual operated offset printing machine, photographic machines, their parts and appliances. | Printers |
| 49. | To carry on the business of manufacturers, importers, exporters, traders, agents, factors, assemblers, builders, hirers, repairers, converters, engineers and dealers in and marketing and distribution of computers, mini computers, calculators, machines, instruments, computer programmes and products related to computers including peripherals, devices, software and hardware and provide date preparation and processing services and other computer related services. | Computer and data processing |

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| 50. | To carry on the business of engineers, contractors, suppliers, manufacturers of dealers in, hirers and repaires of electrical machinipment and appliances of all kinds and descriptions including motor batteries, dynamos, bulb, armatures, magnets, conductors, insulators, transformers, converters, switch board, air-conditioners, refrigerators, including business machines, radios, television sets, taperecorders, gramaphonesrecords, tapes and telecommunication equipments and telephone equipment and their components and accessories, including transistors, resistors, condensors and coils. | Electrical equipments and engineers |
| 51. | To carry on all or any of the businesses of makers of and dealers in scientific and instruments of all kinds for indication, recording, controlling, measuring and timing, machine tools, precision tools, surgical instruments and appliances and artificial limbs dental optical equipment and goods, anatomical, orthopaedic and surgical appliances. | Scientific and industrial equipment |
| 52. | To carry on all or any of the business of generating and distributing gas and heat. | Energy |
| 53. | To carry on the business of manufacturing, processing, spinning, doubling, combing, twisting, weaving, ginning, bailing, knitting, winning, dyeing, bleaching, finishing, calendering, sizing, printing, mercecrising, chemical processing of cotton, wool, silk, art silk, rayon, terene, flex, lamp, polyster, synthetics linen,jute,nylon and other fibrous materials,yarn,fabrics,carpets and all other textile yarns and fibrous subtances. | Textile |
| 54. | To carry on all or any of the businesses of carriers of passenger and goods and merchandise by air, sea or surface transport and to maintain airways, shipping line, roadways and other transport services and to act as clearing agents, forwarding agents, travel, agents, charters, tour agents and freight contractors. | Carriers |
| 55. | To manufacture, prepare, import, export, buy sell and otherwise deal in all kinds of glass glassware, glass goods, mirrors, looking glass, scientific glasswares, sheet and plate glass, bangles, false pearls, bottles and all kinds of articles prepared of glass and to carry on the business of glass patent solvers, glass embassers, lead workers, tablet, show card and show case manufacturers. | Glass |
| 56. | To manufacture, process, treat, refine, store, buy, sell, export, import distribute and otherwise deal in all kind and classes of papers, boards, luminates and packing of all kinds. | Paper |
| 57. | To carry on the business of providing internet services and other wireless network services, software systems, E-commerce, M-Commerce, any other commerce in any other form or forms, data bank, data processing,communication, information systems and to design and develop computer, business application software, system software, technical and non technical software for various applications for business and non-business, design software consisting of schematic capture, net list translation, simulation hardware description languages such as HIDC design kits placement and routing, test vactor translation and tool integration,designing and developing business applications, software involving local area networks, multitasking operating systems, graphical user interface, relations, data base management system, object oriented data base management system and interactive multimedia system, preparing advertisement and publishing | Internet |

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the information, advertisement on internet.conducting exhibition of internet, incorporating data on CDROM and to act as internet service provider (ISP), advertising, publicity and propaganda agents to manufacturers, traders, dealers, importers and exporters and promote the sale of their products and service in india and abroad through various media such as internet, news papers, periodicals, cinemas,journals, direct main publicity display unit, exhibition on line, gathering, arranging conference, seminars, symposiums, lectures, trainings, mass meetings, appoint distributors, sub distributors, selling agents and all such other activities for promoting the sales of various products through above means and to provide online services like Amrica on Line and / or compuserve and develop software for local and international market.**

58. A. To plan, establish, develop, provide, operate and maintain all types of telecommunications, net - works and service including local and long distance national and international, voice, data, messaging, information and multi-media network and services. ** — Telecommunications

B. To plan, establish, develop, provide, operate and maintain all types of value added telecom networks and services, both fixed and mobile, including E-mail, EDF, Internet Access, Paging, Leased lines, cellular mobile voice and data networks and services. **

C. To procure distribute, market, intergrate, sell and resell, various types of telecom, information technology and data equipments and products including switching and Transmission equipment, Access, terminal equipment such as Wireless Local Loop systems, optical Fiber cable, systems, MUX, Modems, ISDN equipment and multi-media solutions. **

D. To assemble, integrate, manufacture various types of telecommunication and information technology equipments and products either on its own or in collaboration with other parties and companies. **

E. To provide consultancy services to other parties, companies and organizations for planning, establishment, development, operation and maintenance of basic and value added telecom services such as POTS, cellular telephone, paging services, E-mail, internet services, data transmission. **

F. To collect and settle revenue, rental, leased charges and other charges payable to the company by persons, companies, agencies and administrations for the services provided and utilize the same for furtherance of the activities of the company. **

G. To enter into agreement with the government, PSUs and licensees of basic, cellular and value added telecom services or information services, data basis and networks for operation and maintenance of the services or networks as per mutually agreed terms and conditions. **

59. To carry on the business of generation, transmission and distribution of electric power and in particular to construct, lay down, establish, operate, fix and carry out thermal, hydraulic and nuclear power plants and stations, gas turbines and turbines of all types, cables, optic fiber, wires, lines accumulator, lamps and works and to generate, acquire by purchase in bulk, accumulate, distribute and supply electricity. — Electric Power

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To carry on the business of manufacturers of and dealers in apparatus, plants, machinery and equipments of all kinds required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity

To ecquire concessions or licence for the construction and maintenance of electric installations for the production, transmission or use electric power. **

60. To carry on business as breeders of and dealers in livestock (including in that term horses, assess, donkeys, mules, pigs, cattle sheep, goats and other animals) cattle, sheep, farmers, poultry farmers, graziers, livestock agents,eggs, meat and produce sales man, Importers and exporters of livestock and to carry on the traders or business of fell mongering, tanning and dealers in hides, fat, tallow, grease, offal and other animal products. ** — Livestock

61. To acquire, collect and gather by fishing or purchase, all varieties of sea foods like prawns, shrimps, lobsters, pomfrets, shark, eels and other sea products and to process them by using operations such as refrigerating freezing, filleting, skinning, meat, picking, drying, boiling, etc. and also pack and prepare the same for sale and delivery in export and / or internal markets and to carry on the business of fishing, including deep sea back-water fishing and to act as dealers, exporters and agents in all kinds of fish and sea foods and to purchase or otherwise establish, build, own, operate, acquire, run and manage processing factories, cold storage, refrigerators, ice making plants and also warehouses, sheds and buildings for the purposes of processing, packing preserving and canning all varieties of fish, fish products, sea foods,farm products and other edible products including byproducts manufactured and / or dealt in by the company and to deal in all kinds of machinery, appliances and materials for achieving the said object. ** — Sea foods

62. To carry on the business of construction of roads, bridges, tunnels, docks,wharves, shipyards, power plants, steel works, hospitals, horbours market places, railways, schools, gardens, tanneries, residential complex, factories, mills, theatres, recreational facilities, industrial and non-industrial structures, settings up of various infrastructural facilities for village town/city development and to carry on the business of builders and developers,contractors, projects consultant, architects dealers in and manufacturers of prefabricated and pre-cast houses buildings and erections and materials,tools, implements, machinery and metal-wire in connection therewith and to provide technical services, know-how collaboration and supervision for designing, financial planning, cost estimation, project control, procurement of personnel, materials and other resources for the execution of projects. ** — Construction

63. To establish, own takeover, manage, and operate nursing homes-cum- hotel, nursing-home-cum guest, hotels, motels, inns, guest house, holiday homes, dispensaries and medical centres in India and elsewhere. ** — Nursing home

64. To invest in and acquire, hold or otherwise deal in any shares, stocks,debentures, debenture stock, warrants, any other financial instruments,bonds obligations and securities issued or guaranteed by any company constituted or carrying on the — Investments

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business in India or elsewhere or Government, State Government, semi Government Authorities, local authorites, public Sector Undertakings, Financial Institutions, Public Body, any other persons or otherwise and to carry on and undertake the business of finance,marketing loans or all kinds purchasing, selling, hiring or letting / leasing on hire all kinds of plant and machinery and equipment and to assist in financing of all and every kind and description of hire purchase of deferred payment or similar transactions and to subsidise finance or assist in subsidising or financing the sale and maintenance of any goods articles or commodities of all and every kind and description upon any terms whatsoever and to purchase or otherwise deal in all forms of immovable and movable property including lands and buildings, plant and machinery, equipments, ships ,aircrafts, automobiles, computers and all consumer, commercial, medical and industrial items and to lease or otherwise deal with them including resale thereof, regardless of whether the property purchased and leased is now and / or used and from any part of the world. **

65. To acquire, utilise, grow, plant, cultivate, produce and to exploit any estates or lands for Floricultural, agricultural, plantation, sericultural and farming purposes and agro industrial projects and to carry on business as producers, planters, processors, growers, cultivators, traders, buyers and sellers,importers, agents, consultants, dealers, stock-keepers and distributors and exporters for any ordinary or specialised floricultural, agricultural, horticultural, sericultural and agro- industrial products and commodities, including flowers, fruits, vegetable, food grains, pulses, seeds, cash crops,cereal products and flora **

Floricultural Agricultural etc.

66. To carry on the business of timber and lumber yard and saw mills proprietors and to buy, sell, prepare for the market, import, export and deal in timber and wood of all kinds and to manufacture and deal in articles of all kind and to manufacture and deal in articles of all kinds in the manufacture of which timber or wood is used, to carry on the business of logging and lumbering,purchasing, acquiring and leasing timber berths, and so far as may bedeemed expedient the business or general merchants or any other business which may seem to the company capable of being conveniently carried or in connection with any of the above or calculated directly or indirectly to render profitable or to enhance the value of the company's property of right or the time being. **

Timber

67. To own, purchase, charter, hire or otherwise acquire, sell, exchange, let or otherwise deal with, operate, trade in or with steam and other ships, boatsand vessels, aircraft and other transports and convey of every description propelled or worked or capable of being proopelled or worked, by steam,electricity, petrol, oil, gas, or any other motive power or producing substancewith all equipment and furniture build steam and other ships and vessels and to employ the same in the carriage or conveyance by land, sea or air in orbetween any or places port or ports on any seas, rivers, canals or elsewhere,or passengers, mails troops, munitions of war, live-stock, corn and other produce and or treasure and merchandise and food, articles and goods things of all kinds, between such ports and places in any parts of the world,as seem expedient, and to establish, maintain and work lines of steam andother ships, air services and lines of aerial communication and other transports and conveyances between any ports, countries or place which may seem to the company from time to time expedient and to acquire any postal and other subsidies. **

Ships

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| 68. | To carry on the business of shipbuilders and repairs and retailers of ships, vessels, tugs, barges, lighters and aircrafts and other transports and conveyance and manufacturers, operators and/or repairers of engine, boilers, tackles machinery and any parts required for ships, vessels, aircraft or other modes of conveyance like motor cars, railways etc. and any apparatus for use in connection therewith and generally to carry on the business of civil and machanical engineers, also to acquire, provide an maintain hangars, garages, sheds, aerodromes and accommodation for or in relation to aerial convenience. ** | Shipbuilders |
| 69. | To carry on the business as wholesalers, consignment agents, indenting agents, sub agents, manufacturers, representatives, importers, exporter traders, distributors, brokers, stockists, dealers, suppliers and commission agents of products and commodities and materials in any form or shapes manufactured, semi manufactured or raw materials or supplied by any company, firm association of persons, body whether incorporate or not,individuals, government, semi-government, or any local authority and establish, purchase, take on lease or otherwise acquire and run shop, show-rooms, distributing centres, malls, stores or depots at any place in India and abroad. ** | Wholesalers, Consignmen t Agents etc. |
| 70. | To carry on and undertake the business of leasing and hire purchase finance company and to finance lease operations such as hiring, letting on hire equipments, plant and machinery and to assist finance of hire purchase or deferred payments or to subsidies finance or assist in subsiding or financing the sale and maintenance of goods or commodities upon terms and conditions and to undertake leasing finace for immovable and movable properties including lands and buildings, plant and machinery, equipments and vehicles such as automobiles, ships, aircrafts, computer, commercial and industrial equipments and to lease and deal with them including sale and resale thereof. ** | Leasing and hire Purchase |
| 71. | To carry on the business of financing industrial enterprises, trade and business, to advance, deposit or lend money, and properties to or with any company, body corporate, firm, person or association on such terms as may be seem expedient, to discount, buy, sell and deal in bills, notes, warrants, coupons, import entitlements and other negotiable or transferable securities or documents of guarantee or become liable for the payment of money or for the performance of obligations and generally to transact guarantees and / or Trust business. Provided the company shall not carry on Banking business as defined by the Banking Regulations Act, 1949 and subject to the provisions of the Companies Act and directives of reserve Bank of India. ** | Financing |
| 72. | To carry on business as manufacturers, dealers, stockists importers, sellers, buyers, exporters of petrochemicals and its-by-products and corresponding products. ** | Petrochemicals |
| 73. | To carry on business or dairy farming, dairy products and allied products. ** | Dairy |
| 74. | To carry on business as manufacturers, dealers, stockists, importers and exporters of buckets, bath, tubs, tanks, trunk, metal furniture, safes, chimneys, pipes. ** | Metal Furniture |
| 75. | To carry on the business of manufacturers of or dealers of ferrous or non Ferrous metals, including iron and steel, aluminum, brass, tin, nickel, special steel and their products. ** | Iron |
| 76 | To carry on business as goldsmiths, silversmiths, jewelers, gem merchants, watch and clock repairers, electroplates, dressing bag makers, importers and exporters of bullion, and buy, sell and deal (Wholesale and retail) in bullion, Precious stone, Jewellary watches, clocks, gold and silver plates, cups, shields, electroplated, cutlery, dressing bags, bronzes, articles of virtue, objects of art and such other articles and goods as the company may consider capable of being conveniently delt | Jewellery |

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in relations to its business and to manufacture and establish factories for manufacturing goods for the above business. **

77. To acquire, establish, run and conduct the business of flour mill, bakery,textile process house, rolling mill, oil mill, dal mill, rice mill, printing mills. ** — Flour mills etc.

78. (a) To carry on business of manufacturers, importers, exporters and distributors of cinematographic and advertising films, shorts, slides, documentaries movies and pictures of all kinds. ** — Films

(b) To prepare, manufacture, process, photograph, buy sell, distribute, represent, deal with dispose of, exchange, release and distribute, all kinds of pictures, photographs, cinematographic films, audio and video tapes, and video cassettes **

(c) To act as representatives, distributors and exhibitors of various TV net works, such as Doordarshan and film companies, distributors, and exhibitors. **

(d) To buy, sell, hire or otherwise deal in studio, cameras, lighting, sound and editing equipments. **

(e) To produce and distribute documentaries advertising and cine/video films for any product or service to purchase such films and/ or acquire their exhibition and distribution rights or sell them outright or to give their distribution and exhibition rights exclusively or on any other such terms and conditions; as the Company may deem fit and to sell such films on hire purchase or instalment basis or/on any other such terms to act as advertising agents and to purchase and sell advertising time or space on any Radio Station or TV Centre in India or abroad or any other such kind of media of all types. **

(f) To carry on business as specialists in and contractor for outdoor advertising activities such as carpentry work, preparation of visualisation, art work, painting and maintenance of signs, hoarding highway bulletins, bus panels, neon signs, transportation advertising, indoor projected merchandising and outdoor merchandising. **

(g) To carry on the business of developing telecom software products and Services and becoming a service provider of Internet, telecommunication, radio, television or any other distribution or broadcasting activity as may bepermitted by the Government. **

(h) To set up a radio channel or television channel in India or abroad. **

(i) To carry on business of developing and providing service in the field of electronic commerce-web based or related technology and applications, deal in all kinds of Internet / Internal / Extranet businesses using e-commerce applications in India and any other country. undertake computer related jobs, as data collection, survey, data processing, data entry computer aided drafting and designing computer aided desk top publishing, multimedia applications (audio, video) communication network such as Lan, Wan Internet and its application e-commerce using various software developed by self or procured from the market, if required. **

(j) To carry on the business of marketing and sales representatives in the electronic media and consultancy of Electronic Commerce and other products and services including Internet, e-mail, Enhanced Fax Service,Electronic Data Interchange. Web publishing, Web/Portal hosting. Web solutions. **

(k) To develop,build store, host and promote portals, Web sites and other Interactive multimedia products including internet, Radio and web casting, e- commerce applications and services, whether digital or otherwise and market or distribute them on the internet or other distribution platforms. **

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(l) To develop or acquire and own intellectual property generally and in particular to act as copyright owners, Internet site or portal owners. Vidio right owners, autio right owners, cable right owners, dubbing rights owners and other studio owners of all kinds of data educational radio programme, television programs, videos, advertising, films and documentary in all formats and languages prevailing in the world. **

79. To carry on the business to acquire by purchase, lease, exchange, hire or otherwise develop or operate land, building and hereditaments of any tenure or description including agricultural land, mines, quarries, tea or coffee gardens, farms, gardens, orchards, groves, plantations and any estate or interest therein and any right over or connected with land and buildings situated any develop or to turn the same to account as may seem expendient and in particular preparing building sites and by constructing, reconstructing, altering, improving, decorating, furnishing and maintaining hotels, rooms, flats, multiplex, entertainment centres, multi plexe complexes, shopping malls, houses, restaurants, markets, shops, workshops, mills, factories, warehouses, cold storages, wharves, go- downs, offices, hostels, gardens, swimming pools, play ground, building and other properties whether belonging to the Company or not and to collect rents, and income, and to supply tenants, and occupiers and other refreshments, attendance, light, waiting rooms, reading rooms, meeting rooms, electric conveniences and other advantages. Real Estate

To carry on real estate business and construction business acquire by purchase, lease, exchange, invest, deal hire or otherwise act as brokers and agents, develop or operate land, buildings and other hereditaments, of any tenure or description and any estate or interest therein, any right over to or connected by land, buildings so situated and develop or to run the same to account as may be seem, expedient and in particular by preparing building sites and purchase and sale of lands and / or buildings and owning, buying selling, hiring, letting, sub-letting, maintaining, allotting, transferring allotment, administering, diving, sub-dividing, holding and by construction, reconstructing, altering, improving decorating, furnishing, and maintaining hotels, rooms, inns, flats, houses, apartments, restaurants, cinema houses, markets, shops, workshops, mills, factories, warehouses, cold storages, wharves, go downs, offices, safe deposits vaults, hostels, gardens, swimming pools, playground, building, immovable property of any kind works, conveniences of all kinds any by leasing, hiring, letting or disposing ofthe same and to acts as brokers and commission agents, in real estate business and to act as a general contractors, sub-cointractors and to do any construction, manufacturing, building, road making, engineering and all other kinds and description whatsoever for any person, firm AOP, society, company, public body, government, army navy, railways etc. by the Company itself or in partnership will such company or individuals or persons as may be thought fit by the directors. **

80. To carry on the business of construction, development, creation, expansion, design, modernization, management and maintenance of infrastructure projects and roads, highways, bridges, flyovers, airports, ports, railways,environmental engineering management of sanitation, water, waterways, sewerages disposal, industrial estates, townships, industrial parks, food parks, bio-technical parks or any other facility of similar nature and to acquire, purchase, exchange, hire by, sell, construct, build develop, promote, execute, undertake, maintain, manage, run, model, remodel, erect, demolish, furnish, improve, enlarge, pulling down, decorate, architect or otherwise deal in lands, buildings, properties, commercial and industrial, complexes, residential complexes, office building, houses, flats, apartments, hospitals, shopping mall, hotel, resorts, restaurants, cineplexes, multiplexes, Infrastructure

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amusement parks, gold courses, film, city, clubs, educational institute, place of works ships, reading rooms, library, dairy farms, agro-projects and all other kinds of immovable electronics and tele-communication engineering and to as consultant, advisor, agent to mobilize resources and to arrange both private and / or Government sector participants for development of infrastructure projects, joint ventures,foreign collaboration projects etc.

To carry on the business of real estate, developers, builders, promoters, architects, engineering, designers, erectors, fabricators and taking up the work of construction of buildings, offices, places of public amusement, public buildings, roads, bridges, dams, power projects, electrical contracts, furnishing contractors, interior decoration, wood work, painting contracts, plastering, laying of tiles and marbles and acquire by purchase, lease,exchange, joint venture, contract, invest, deal hire, or otherwise and further act as brokers and agents, develop or operate land, building and hereditaments of any tenure or description and any estate or interest therein,and any right over to or connected by land, building so situated and develop or to run the same to account as may be expedient and in particular by preparing building sites and purchase and sale of land and / or buildings and owning, buying selling hiring, letting, sub-letting, maintaining, allotting, transferring, allotment, administering, dividing and sub-holding and by construction, re-constructing, altering improving, decorating, furnishing and maintaining hotels, rooms, inns, flat, houses, apartments, restaurants, cinema houses, markets, shops, workshops, mills, factories, warehouses, cold storages, wharves, go downs, offices, safe deposit vaults, hotels, gardens, swimming pools, place of education, place of worship, playground, building, immovable property of any kind works and conveniences of all kinds, and by leasing, hiring, letting, sub- letting or disposing of the same and to as broker and commission agents in real estate business, building, road making, engineering and all other kinds and descriptions whatsoever for any person, firm, company, public body, government, army, navy, railways, etc.by the Company itself or in partnership with such company or individuals or persons as may be thought fit by the directors and to deal in all types of building materials like cement, sand, iron, steel, stones and stone chips, wood bricks etc. along with hardware, fittings and other accessories and materials used in construction and decoration. **

81. To carry on in India or elsewhere the business of establishing, undertaking, organizing, conducting , observing ,setting, planning, designing, promoting, controlling , customizing , providing, exchanging, managing people, technology, activities, information and resources involved in moving a product or service from supplier to customer, and upstream and downstream value added flow of materials, final goods and related information, technical or non technical , services, among suppliers, resellers, final consumers and systematic , strategic coordination of traditional business functions and tactics across these business functions within a particular company and across business within supply chain , for the purpose of improving the long term performance of the individual companies and other business entities.*****

Supply Chain Business

82. To establish, acquire, promote, undertake or in any other manner carry on in India or abroad or both the business of educational institutions, schools, college, university, institutes, higher educational institutions, academy, training centers, classes, coaching classes, maths classes, computer coaching classes, professional courses, educational on net, english speaking classes and courses, tutorials, workshops, brain development programs, organize summer camps, seminars and other places of learning and/ or imparting education orally or by mechanical and/or technological means or by post engineering howsoever in all fields of arts, or technical means or by post engineering howsoever in all field of arts, science, crafts, commerce, management, technical, insurance, medical, electronic, computer english speaking and all other subject existing or which may come to exist in future and to conduct examination, and to prepare, publish, purchase and sale of study material and books,

Promoting Educations

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to sponsor authorship for books to pay and recover royalty, to maintain library, laboratory, test and other activities in pursuance thereof and to award/confer degrees, diploma, certificates, titles, honors and/or enter into agreements, collaborations, franchises and other agreement from time to time whether in India or abroad or both generally to do all things connected with the business of imparting education, marketing of educational products, educational consultancy, computer education and placement, research and training, education through information technology.*****

83. To carry on the business of manufacturing, printing, processing distributing, selling, buying, importing ,exporting and dealing in all kinds of packing laminated & coated materials including made of paper ,film, foil and plastic and all or any other materials that are and that may be developed for the purpose.***** Packing

IV The liability of the members in limited.

V ***The Authorised Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty Crores only) divided into 3,00,00,000 (Three Crores) Equity Share of Rs. 10/- each.

***increased authorised share capital from Rs. 5 lakhs to Rs.50 lakhs through special resolution passed at the Extra Ordinary General meeting held on 30/04/1992.

* the name of the company was changed from Peacock Continental Limited to Sah Polymers Limited through a special resolution passed at the Extra Ordinary Meeting held on 22/07/1998 and approved by the Registrar of Companies, Rajasthan Jaipur vide letter no. R.O.C./Approval/21/5846 dated 24/07/1998.

***increased authorised share capital from Rs. 50 lakhs to Rs 1.50 crores through special resolution passed at the Extra Ordinary General meeting held on 31/08/1998.

***increased authorised share capital from Rs. 1.50 crores to Rs.2 crores through special resolution passed at the Extra Ordinary General meeting held on 05/01/2005.

***increased authorised share capital from Rs. 2 crores to Rs.4 crores through special resolution passed at the Extra Ordinary General meeting held on 16/03/2007.

***increased authorised share capital from Rs. 4 crores to Rs.5 crores through special resolution passed at the Extra Ordinary General meeting held on 16/06/2008.

***increased authorised share capital from Rs. 5 crores to Rs.10 Crores through special resolution passed at the Extra Ordinary General meeting held on 23/10/2009.

***subdivided 1 equity share of Rs.10/- each into 5 equity shares of Rs.2/- each through special resolution passed at the Extra Ordinary General meeting held on 17/11/2009.

***increased authorised share capital from Rs. 10 crores to Rs.11 Crores through special resolution passed at the Extra Ordinary General meeting held on 14/12/2009.

***consolidated shares by aggregating 5 equity shares of Rs.2/- each into 1 equity share of Rs.10/- each through special resolution passed at the Extra Ordinary General meeting held on 11/10/2011.

** alteration of object clause by insertion of the objects through special resolution passed at the Extra Ordinary General meeting held on 11/10/2011.

***** alteration of object clause by insertion of the objects through special resolution passed at the Extra Ordinary General meeting held on 31/05/2013.

***increased authorised share capital from Rs. 11 crores to Rs.15 Crores through special resolution passed at the Extra Ordinary General meeting held on 18/03/2013.

***increased authorised share capital from Rs. 15 crores to Rs.16 Crores through special resolution passed at the Extra Ordinary General meeting held on 20/03/2018.

*** the alteration was duly noted where the increased authorized share capital from Rs. 16 Crore to Rs. 16.50 Crore pursuant to scheme of amalgamation under section 233 of Companies Act, 2013 and as approved by the Regional Director, NWR, Ahmedabad by order number (02)/2020-21/753 dated 21/08/2020.

***increased authorised share capital from Rs. 16.50 crores to Rs.25.00 Crores through special resolution passed at the Extra Ordinary General meeting held on 15/07/2021.

****The existing set of Memorandum of Association was altered pursuant to the provisions of Companies Act, 2013, rules and schedules therein vide special resolution passed at the Extra Ordinary General meeting held on 15/07/2021.

***increased authorised share capital from Rs. 25.00 crores to Rs.30.00 Crores through resolution passed at the Extra Ordinary General meeting held on 17/02/2022, and the same was duly noted.



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We, the several persons whose and address are subscribed below are desirous of being formed into a Company in pursuance of this memorandum of Association and we respectively agree to take the number of shares in the Capital of the Company set against our respective names :

| Sl. No. | Signatures, Names, Address Descriptions and Occupations of Subscribers | No. of Equity Shares taken by each subscriber | Signature, Name, Address, Description and Occupation of Witness |
|---|---|---|---|
| 1. | Sd/-<br>Daud Ali Dawood<br>S/o. Abde Ali Dawood<br>5/1, Bastiramji ki Bari, Udaipur<br>INDUSTRIALIST | 10<br>(Ten) | |
| 2. | Sd/-<br>Hatim Ali Dawood<br>S/o. Abde Ali Dawood<br>5/1, Bastiramji ki Bari, Udaipur<br>INDUSTRIALIST | 10<br>(Ten) | |
| 3. | Sd/-<br>Shabbir Hussain Dawood<br>S/o. Mohd. Hussain Dawood<br>5/1, Bastiramji ki Bari, Udaipur<br>INDUSTRIALIST | 10<br>(Ten) | |
| 4. | Sd/-<br>Mohammed Hussain Dawood<br>S/o. Akbar Ali Daud<br>5/1, Bastiramji ki Bari, Udaipur<br>INDUSTRIALIST | 10<br>(Ten) | |
| 5. | Sd/-<br>Rashida Daud<br>W/o Inayat Hussain<br>Opp. Park Hotel, Saheli Marg, Udaipur<br>BUSINESS | 10<br>(Ten) | |
| 6. | Sd/-<br>Zubeda Daud<br>W/o Munaver Hussain<br>5/1, Bastiramji ki Bari, Udaipur<br>BUSINESS | 10<br>(Ten) | |
| 7. | Sd/-<br>Batool Daud<br>W/o Hatim Ali<br>5/1, Bastiramji ki Bari, Udaipur<br>BUSINESS | 10<br>(Ten) | |
| | TOTAL | 70<br>(Seventy) | |

Date : 8-04-1992
Place : Udaipur

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RD (NWR)/233/(02)/2020-21/ 753

**FORM NO. CAA.12**

[Pursuant to section 233 and rule 25(5)]

**CP (CA) No. 02/2020-21**

**Confirmation order of scheme of merger or amalgamation**

**of**

**Sat E-com Limited**

**With**

**Sah Polymers Limited**

Pursuant to the provisions of section 233, the scheme of compromise, arrangement or merger of Sat E-com Limited (Transferor Company) with Sah Polymers Limited (Transferee Company) approved by their respective members and creditors as required under section 233(1) (b) and (d), is hereby confirmed and the scheme shall be effective from the 1st day of April, 2019. The applicant companies shall comply with the provisions of sub-section (11) of Section 233 and sub-section 3(i) of Section 232 respectively for payment of registration fees and stamp duty and Section 239 of the Companies Act, 2013 regarding preservation of books and papers of Transferor Company.

A copy of the approved scheme is attached to this order.

MANMOHAN JUNEJA

(MANMOHAN JUNEJA)
REGIONAL DIRECTOR
NWR, AHMEDABAD
Signature with seal

OFFICE OF THE REGIONAL DIRECTOR NORTH-WESTERN REGION GUJARAT AHMEDABAD

Dated on the 21st August, 2020

Place: Ahmedabad

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- Annexure 1

# COMPOSITE SCHEME OF ARRANGEMENT IN THE NATURE OF AMALGAMATION OF SAH POLYMERS LIMITED AND SAT E-COM LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

## PREAMBLE

This scheme of arrangement is presented under Sections 230/233 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, as may be applicable for the amalgamation of SAT E-COM LIMITED ("Amalgamating Company") (hereinafter referred to as "SEL") with and into SAH POLYMERS LIMITED ("Amalgamated Company") (hereinafter referred to as "SPL"). In addition, this scheme of arrangement also provides for various other matters consequential or otherwise integrally connected herewith.

Under this scheme of arrangement, all the Assets and Liabilities of SEL will be taken over by SPL. Due to perfect synergies between the businesses of Companies; this scheme of arrangement would be in the best interests of the shareholders, creditors, employees and all other stakeholders of the Amalgamating Company and Amalgamated Company. Further it would result in enhancement of shareholder value and operational efficiencies, benefit of scaling up, greater focus and would enable the management to vigorously pursue revenue growth and expansion opportunities. In view of the abovementioned reasons, it is considered desirable and expedient to implement the proposed scheme of arrangement.

SAH POLYMERS LTD. UDAIPUR

1.

HAKIM S TIDIWALA
DIN: 00113156

**GENERAL**

This Scheme is divided into the following parts:

a) Part I, which deals with definitions and share capital;

b) Part II, which deals with the scheme of Amalgamation;

c) Part III, which deals with other terms and conditions applicable to the Scheme.

**PART – I DEFINITIONS AND SHARE CAPITAL**

1. In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

1.1. "Amalgamating Company" means SAT E-COM LIMITED ("SEL"), a Company incorporated under the provisions of the Companies Act, 1956 (having CIN : U64202RJ1993PLC007273) and having its registered office at E-260-261, MEWAR INDSUTRIAL AREA, MADRI, UDAIPUR-313003 in the state of Rajasthan.

1.2. "Amalgamated Company" means SAH POLYMERS LIMITED (SPL), a Company incorporated under the provisions of the Companies Act, 1956 (having CIN: U24201RJ1992PLC006657) and having its registered office at -260-261, MEWAR INDSUTRIAL AREA, MADRI, UDAIPUR-313003 in the state of Rajasthan.

1.3. "Amalgamation" shall have the same meaning as defined in section 2 (1B) of Income Tax Act, 1961.

1.4. "The Act" means the Companies Act, 2013 or any statutory modification or reenactment thereof.

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1.5. "The Appointed Date" means April 1, 2019 or such other date as to be fixed by the Central Government/ National Company Law Tribunal at Jaipur may direct.

1.6. "The Effective Date" means the date on which certified copies of the Order passed by the Central Government or National Company Law Tribunal subject to compliance of provision of section 232(6) of the Companies Act, 2013, sanctioning the scheme or Order of confirmation under Section 233 are filed with the Registrar of Companies, Jaipur after obtaining the consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary therefore.

1.7. 'Undertaking' shall mean and include all the assets, rights and properties (hereinafter referred to as "the said Assets") and all the debts, liabilities, duties and obligations (hereinafter referred to as "the said Liabilities") of the Amalgamating Company as on the Appointed Date. Without prejudice to the generality of above, the undertaking of the Amalgamating Company shall include:

(i) All immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise and whether present or future) of the Amalgamating Company and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;

(ii) all assets, as are movable in nature of the Amalgamating Company, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, furniture, fixtures, office

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equipments, communication facilities, installations, vehicles), actionable claims, earnest monies and sundry debtors, financial assets, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other persons, the benefits of any bank guarantees, performance guarantees;

(iii) all the investments, being the investments in subsidiaries Companies, joint venture Companies, associate Companies, Partnership firms or investments of any other nature of the Amalgamating Company.

(iv) all permits, licenses, permissions including municipal permissions, right of way, approvals, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, liberties and advantages (including those granted/issued/given by any governmental, statutory or regulatory or local or administrative bodies for the purpose of carrying on the business of the Amalgamating Company or in connection therewith) including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain exclusively to the Amalgamating Company;

(v) all contracts, agreements, service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids,

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tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/license agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits there under of the Amalgamating Company;

(vi) all applications (including hardware, software, licenses, source codes, para-meterisation and scripts), registrations, goodwill, licenses, trade names, trademarks, service marks, copy rights, patents, domain names, designs, trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature of the Amalgamating Company;

(vii) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Amalgamating Company or in connection with or relating to the Amalgamating Company and all other interests of whatsoever nature belonging to or in the ownership, power,



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possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Amalgamating Company;

(viii) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form of the Amalgamating Company;

(ix) all debts (whether secured or unsecured), borrowings including loans and borrowings from banks/financial institutions, obligations, duties and liabilities including contingent liabilities of the Amalgamating Company;

(x) all legal or other proceedings of whatsoever nature of the Amalgamating Company.

1.8. "The Scheme" means this Scheme of Amalgamation in its present form with any modification, approved or imposed or directed by the National Company Law Tribunal, Registrar of Companies, Central Government or Official Liquidator made under Clause 13 of this Scheme.

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1.9. Central Government has delegated the power of Merger or Amalgamation under section 233 of the Companies Act, 2013 to the Regional Director.

1.10. The headings herein shall not affect the construction of the scheme.

1.11. In phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words proceeding those terms.

1.12. The annexure to this scheme shall form integral and inseparable part of the scheme.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, Income Tax Act, 1961 and other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time

## SHARE CAPITAL OF THE COMPANIES

The authorized, issued, subscribed and paid-up share capital of the Amalgamating Company and Amalgamated Company are as under:

1.13. The Share Capital of the Amalgamating Company (SEL) as per the Audited Balance Sheet dated 31.03.2019 is as under:

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| Authorised Share Capital | |
|---|---|
| 5,00,000 Equity Shares of Rs. 10/- each | 50,00,000/- |
| Total | 50,00,000/- |
| | |
| Issued, Subscribed and Paid up Share Capital | |
| 5,00,000 Equity Shares of Rs. 10/- each | 50,00,000/- |
| Total | 50,00,000/- |

The authorized, issued, subscribed and paid-up Share capital of the Amalgamating Company (SEL) is the same as above as on the date of Board meeting sanctioning the Scheme.

1.14. The Share Capital of the Amalgamated Company (SPL) as per the Audited Balance Sheet dated 31.03.2019 is as under:

| Authorized Share Capital | |
|---|---|
| 1,60,00,000 Equity Shares of Rs. 10/- each | 16,00,00,000/- |
| Total | 16,00,00,000/- |
| Issued, Subscribed and Paid up Share Capital | |
| 1,55,96,0000 Equity Shares of Rs. 10/- each | 15,59,60,000/- |
| Total | 15,59,60,000/- |

The authorized, issued, subscribed and paid-up Share capital of the Amalgamated Company (SPL) is the same as above as on the date of Board meeting sanctioning the Scheme.

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**PART – II SCHEME OF AMALGAMATION**

2. TRANSFER AND VESTING OF THE UNDERTAKINGS OF THE AMALGAMATING COMPANY.

2.1 With effect from the opening of business as on the Appointed Date, the Undertaking shall, without any further act or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to or vested in the Amalgamated Company pursuant to the provisions of clause (a) and (b) of sub-section (1) and clause (c) of sub-section (9) of Section 233 and other applicable provisions of the said Act.

2.2 With effect from the Appointed Date, all the Liabilities, obligations including the charges or encumbrances on assets/undertaking, guarantees given, of the Amalgamating Company shall, without any further act or deed, be and stand transferred, to the Amalgamated Company, pursuant to the applicable provisions of the said Act, so as to become as from the Appointed Date, the debts, liabilities, duties and obligations of the Amalgamated Company. The consent of any third party or other person who is a party to any contract or arrangement by virtue of which debts, liabilities, duties and obligations liabilities have arisen, in order to give effect to the provisions of this Clause and Scheme. Provided however that this shall not mean or result into enhancing the security for any loan, deposit or obligation created by the Amalgamating Company. The Amalgamated Company shall not be obliged to create any further or additional security therefore.

2.3 All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, any tax credits, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales



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tax, excise service tax, etc) payable by or refundable to the Amalgamating Company, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, etc., as the case may be, of the Amalgamated Company, and any tax incentives, advantages, privileges, exemptions, benefits, credits, holidays, remissions, reductions, etc., as would have been available to the Amalgamating Company shall upon the Scheme being effective, be available to the Amalgamated Company.

2.4 Upon the Scheme being sanction, the Amalgamated Company shall be entitled to claim refunds or credits, including input tax credit, with respect to taxes paid by, for, or on behalf of, the Amalgamating Company, under applicable laws, including income tax (including tax losses), minimum alternate tax, sales tax, GST Credit, value added tax, service tax, CENVAT or any other tax, whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed.

2.5 Upon sanction of the scheme, all tax compliances under any tax laws by the Amalgamating Company on or after Appointed Date shall be deemed to be made by the Amalgamated Company.

2.6 Upon sanction of the scheme, any advance tax, self-assessment tax, minimum alternate tax and/or TDS credit available or vested with the Amalgamating Company, including any taxes paid and taxes deducted at source and deposited by the Amalgamated Company on inter se transactions during the period between the Appointed Date and the Effective Date shall be treated as advance tax paid by the Amalgamated Company and shall be available to the Amalgamated Company for set-off against its liability under the Income-tax Act, 1961 and any excess tax so paid shall be eligible for refund together with interest. Any TDS certificates issued by the

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Amalgamated Company to, or for the benefit of, the Amalgamating Company under the Income-tax Act, 1961 with respect to the inter se transactions would be available to the Amalgamated Company to seek refund of from the tax authorities in compliance with law. Further, TDS deposited, TDS certificates issued or TDS returns filed by the Amalgamating Company on transactions other than inter se transactions during the period between the Appointed Date and the Effective Date shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Amalgamated Company. Any TDS deducted by, or on behalf of, the Amalgamating Company on inter se transactions will be treated as advance tax deposited by the Amalgamated Company.

2.7 The Amalgamated Company is also expressly permitted to claim refunds, credits, including restoration of input CENVAT credit, GST Credit, tax deduction in respect of nullifying of any transaction between the Amalgamating Company and the Amalgamated Company.

2.8 Provided that upon the Scheme being sanctioned, the Amalgamated Company is also expressly permitted to reopen and revise its financial accounts for any relevant year, income tax returns, withholding tax returns, service tax returns, value added tax returns, sales tax returns, excise and CENVAT returns, GST Returns and any other statutory returns and filings under the tax laws, notwithstanding that the period of filing/revising such return may have lapsed to obtain TDS certificates, including TDS certificates relating to transactions between the Amalgamating Company and the Amalgamated Company, and to claim refunds, advance tax and withholding tax credits, etc., pursuant to the provision of this Scheme.



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2.9 It is hereby provided that such accounts can be reconstructed notwithstanding anything contained in any other law in force and it shall become operative upon sanction of the scheme by virtue of the fact that the Central Government or NCLT, while approving the scheme as a whole, have also resolved and accorded the relevant consents as required respectively under Section 131 of the Companies Act, 2013 or any other provisions of the Act and it is deemed that the reconstruction of accounts have been made in compliance with section 131 of the Companies Act, 2013.

**PART-III OTHER TERMS AND CONDITIONS**

3. <u>CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS</u>

3.1 Subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, debentures, agreements with Central Government, State government, semi government agencies, Insurance Companies and other instruments of whatever nature to which the Amalgamating Company are party, subsisting or having effect immediately before the effective date shall remain in full force and effect against or in favour of Amalgamated Company, as the case may be, and shall be enforced as fully and as effectually as if, instead of the Amalgamating Company and the Amalgamated Company had been a party thereto.

3.2 It is clarified that in case of any such instruments including contracts, deeds, bonds, debentures etc, wherever required, the Amalgamated Company shall amend or modify such instrument etc, as may be appropriate, by appending, attaching or affixing thereto such addendum, stickers, papers, supplementary modification



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deeds etc with or without affixing the Common Seal of the Company, to denote and signify the Amalgamated Company as a party thereto stepping instead and in place of the Amalgamating Company. Further, the Amalgamated Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Amalgamating Company and to implement or carry out all formalities required on the part of the Amalgamating Company to give effect to the provisions of this Scheme.

4. LEGAL PROCEEDINGS

4.1 If any suit, writ petition, appeal, revision or other proceedings of whatever nature (hereinafter called "the Proceedings") by or against a Amalgamating Company be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the undertaking of the Amalgamating Company respectively or of anything contained in the Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Amalgamated Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against any of the Amalgamating Company as if the Scheme had not been made. On and from the effective date, the Amalgamated Company shall and may initiate any legal proceedings for and on behalf of the Amalgamating Company.

5. OPERATIVE DATE OF THE SCHEME

The Scheme in its present form or with modification(s) as directed by Central Government or Tribunal under section 233 of the Companies Act, 2013, effected from the Appointed Date as per section 232(6) of the Companies Act, 2013.



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6. STAFF, WORKMEN AND EMPLOYEES OF AMALGAMATING COMPANY

All the staff, workmen and other employees in the service of the Amalgamating Company immediately before the transfer of the Undertaking under the Scheme shall become the staff, workmen and employees of the Amalgamated Company on the basis that –

6.1 Their service shall be continuous and shall not be interrupted by reason of the transfer of the Undertaking;

6.2 The terms and conditions of service applicable to the said staff, workmen or employees after such transfer shall not in any way be less favorable to them than those Applicable to them immediately before the transfer; and

6.3 It is expressly provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or any other Fund created or existing for the benefit of the staff, workmen and other employees of the Amalgamating Company are concerned, upon the Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company for all purposes whatsoever related to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such Funds as per the terms provided in the respective Trust Deeds. It is the aim and intent that all the rights, duties, powers and obligations of the Amalgamating Company in relation to such Funds shall become those of the Amalgamated Company and all the rights, duties and benefits of the employees of the Amalgamating Company under such Funds and Trusts shall be protected. It is clarified that the services of the employees of the

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Amalgamating Company will also be treated as having been continuous for the purpose of the aforesaid Funds or provisions.

7. CONDUCT OF BUSINESS BY THE AMALGAMATING COMPANY TILL EFFECTIVE DATE

With effect from the Appointed Date, the Amalgamating Company:

7.1 shall carry on and be deemed to carry on all their business and activities and stand possessed of their properties and assets for and on account of and in trust for the Amalgamated Company and all the profits and incomes accruing or arising to the Amalgamating Company or losses or expenditure arising or incurred by it shall, for all purposes and intents, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of the Amalgamated Company as the case may be;

7.2 hereby undertake to carry on their business until the Effective Date with reasonable diligence and shall not, without the written consent of the Amalgamated Company, alienate, charge or otherwise deal with the said undertaking or any part thereof except in the ordinary course of their business;

7.3 shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business; and

7.4 Shall not, without the written consent of the Amalgamated Company, undertake any new business.

8. CONSIDERATION :

8.1 In View of the fact that the Transferor Company is a wholly owned subsidiary company of Transferee Company and the Scheme on being effective:

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(a) No shares will be issued / allotted by the Transferor Company to any person;

(b) The equity shares held by the transferee Company shall stand cancelled ;

(c) Investment of the Transferee Company as appearing in its Balance sheet shall stand cancelled to the extent of book value of the equity shares of the transferor Company.

(d) On completion of scheme, all the equity shares of the Transferor Company shall stand cancelled and the share certificates shall be destroyed.

9. AMENDMENT TO MEMORANDUM OF ASSOCIATION OF THE AMALGAMATED COMPANY TO CAPITAL CLAUSE

9.1 Upon sanction of the Scheme, the Authorised Share Capital of the Amalgamating Company being Rs. 50,00,000/- divided into 5,00,000 Equity shares of Rs. 10/- each as mentioned in Clause 1.12 above, shall be added to the Authorised Share Capital of the Amalgamated Company by operation of law and pursuant to provisions of Section 233(11) of the Companies Act,2013.

9.2 After clause 9.1 been executed, Clause V of the Memorandum of Association of Amalgamated Company shall without any further act. Instrument or deed, be and stand altered, modified and amended be replaced as under:

Clause V of Memorandum of Association: -

"The Authorised Share Capital of the Company is Rs. 16,50,00,000/- [Rupees Sixteen Crore Fifty lakh only] divided into 1,65,00,000 Equity Shares of Rs. 10/- [Rupees Ten only] with such rights, privileges and conditions attached thereto as may be determined by the General Meetings at the time of issue."

OFFICE OF THE REGIONAL DIRECTOR NORTH-WESTERN REGION GUJARAT AHMEDABAD

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9.3 Under the accepted principle of Single Window Clearance, it is hereby provided that the above referred change, viz. Change in the Capital Clause shall become operative on the scheme being effective by virtue of the fact that the Shareholders of the Amalgamated Company, while approving the scheme as a whole, have also resolved and accorded the relevant consents as required respectively under the applicable Section of the Companies Act, 2013 or any other provisions of the Act and shall not be required to pass separate resolutions as required under the Act and the filing fees and stamp duty already paid by the Amalgamating Company on their authorized share capital shall be utilized and applied to the increased share capital of the Amalgamated Company, and shall be deemed to have been so paid by the Amalgamated Company on such combined authorized share capital and accordingly, the Amalgamated Company shall not be required to pay any fees/stamp duty on the authorized share capital so increased.

10. ACCOUNTING TREATMENT IN THE BOOKS OF AMALGAMATED COMPANY FOR THE ASSETS, LIABILITIES AND RESERVES OF AMALGAMATING COMPANY

10.1 The Amalgamated Company shall account for the amalgamation (including in respect of transfer of assets and liabilities of amalgamating Company, cancellation of investment of amalgamated Company in the amalgamating Company and the difference between the value of the net assets and cancellation of investments) in its books of accounts in accordance with principles as laid down in the applicable Indian Accounting Standard, including Ind AS 103, the applicable provisions of the act, and generally accepted accounting principles in India; and



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10.2 Inter-company holdings and balances, if any, between the amalgamated Company and amalgamating Company, shall stand cancelled, and shall be accounted in accordance with clause 10.1.

11. DISSOLUTION OF THE AMALGAMATING COMPANY:

11.1 The Amalgamating Company shall be dissolved without following the process of winding up, under sub-section (8) of section 233 of the Companies Act, 2013.

11.2 On registration of order of Central Government or NCLT approving the scheme, the name of the amalgamating Company shall be struck off from the records of Registrar of Companies, Jaipur.

12. NOTICE/APPLICATION TO REGISTRAR, CENTRAL GOVERNMENT OFFICIAL LIQUIDATOR:

The Amalgamating Company as may be directed by the Central Government or Tribunal shall give all Notices and make all necessary application under Section 233 of the Companies Act, 2013 and all other applicable provisions of the Act, for seeking approval of this Scheme and all matters ancillary or incidental thereto.

13. MODIFICATIONS/AMENDMENTS TO THE SCHEME

13.1 The Amalgamating Company (by its Directors) and the Amalgamated Company (by its Directors) may assent to any modification or amendment to the Scheme or agree to any terms and/or conditions which Central Government, Registrar of Companies, Jaipur, Official Liquidator or the Tribunal and/or any other authorities under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme and



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do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect.

13.2 For the purpose of giving effect to the Scheme or to any modification thereof, the Board of Directors of the Amalgamating Company and the Board of Directors of the Amalgamated Company are hereby authorized to give such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

## 14. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

The Scheme is conditional on and subject to:

14.1 The approval to the Scheme by the requisite majorities of the members and creditors (where applicable) of the Amalgamating Company and the Amalgamated Company in accordance with provisions of clause (b) and clause (d) of sub-section (1) of section 233 of the Companies Act, 2013.

14.2 The registration of the scheme by Central Government or Registrar under Section 233 of the Companies Act, 2013, in favour of the Amalgamated Company and Amalgamating Company.

## 15. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Amalgamating Company and the Amalgamated Company respectively in relation to or in connection with the Scheme and of carrying out and implementing/completing the terms and provisions of the Scheme and/or incidental to the completion of amalgamation of the said Undertaking of the Amalgamating Company in



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pursuance of the Scheme shall be borne and paid by the Amalgamated Company.

16. MISCELLENEOUS

Till the event of this Scheme being effective, the Amalgamating Company and the Amalgamated Company shall continue to hold their respective Annual General Meeting and other meetings in accordance with the relevant laws and shall continue to comply with all their statutory obligations in the same manner, as if this scheme does not exist.

17. REPEALS AND SAVINGS

Any matter filed with Registrar of Companies, Regional Director, Income-tax authority or the Central Government under the Companies Act, 1956, before the notification of the corresponding provisions under the Companies Act, 2013 and not fully addressed at that time shall be concluded by the Registrar of Companies, Regional Director, Income-tax authority or the Central Government, as the case may be, in terms of the Companies Act, 1956. Any direction or order given by the Hon'ble Tribunal under the provisions of the Companies Act, 1956 and any act done by the Company based on such directions or order shall be deemed to be in accordance with and consistent with the provisions of the Companies Act, 2013, shall not apply to acts done by the Company as per direction or order of the Hon'ble Tribunal sanctioning the Scheme.

OFFICE OF THE REGIONAL DIRECTOR NORTH-WESTERN REGION GUJARAT AHMEDABAD



HAKIM S. TIDIWALA
DIN: 00119156

SAH POLYMERS LTD. UDAIPUR

**(THE COMPANIES ACT, 2013) (COMPANY LIMITED BY SHARES) (incorporated under the Companies Act, 1956)**

**ARTICLES OF ASSOCIATION OF**

**SAH POLYMERS LIMITED**

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the extra ordinary general meeting of the Company held on **15/07/2021** in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company

**PRELIMINARY**

| Title of Article | Article Number and contents |
|---|---|
| Table "F" not to apply but company to be governed by these Articles | 1.<br>The regulations contained in Table "F" in the Schedule I of the Companies Act, 2013 shall not apply to this Company, but these Articles for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to the repeal of, alteration of, or addition to, its regulations/Articles by Special Resolution, as prescribed by the Companies Act 2013, be such as are contained in these Articles. |

**INTERPRETATION**

| Title of Article | Article Number and contents |
|---|---|
| Interpretation Clause | 2.<br>In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context: |
| The Act | (a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable. |
| These Articles | (b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time. |
| Auditors | (c)"Auditors" means and includes those persons appointed as such for the time being of the Company. |
| Board or Board of Directors | (d) "Board" or "Board of Directors" means the Board of Directors of the Company or the Directors of the Company collectively. |
| Capital | (e) "Capital" means the share capital for the time being raised or authorised to be raised for the purpose of the Company. |
| Chairman | (f) "The Chairman" means the Chairman of the Board of Directors, for the time being, of the Company |
| Charge | (g) "Charge" includes a mortgage. |
| Company | (h) The "Company" shall mean Sah Polymers Limited. |
| Debenture | (i) "Debenture" includes debenture stock, bonds and any other securities of the Company, whether constituting a charge on the assets of the Company or not. |
| Directors | (j) "Directors" means the Board of Directors for the time being of |



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| Title of Article | Article Number and contents |
|---|---|
| | the Company or as the case may be, the Directors assembled at a Board, or acting under a circular resolution under the Articles. |
| Dividend | (k) "Dividend" includes bonus unless otherwise stated. |
| Executor or Administrator | (l) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963. |
| Gender | (m) Words importing the masculine gender shall be deemed to include the feminine gender and *vice versa*. |
| In writing and written | (n) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form. |
| Legal Representative | (o) "Legal Representative" means a person who in law represents the estate of a deceased Member. |
| Marginal Notes | (p) The marginal notes hereto shall not affect the construction thereof. |
| Members | (q) "Members" means the duly registered holders, from time to time of the Shares of the Company and includes the subscribers to the Memorandum of the Company. |
| Board Meeting or Meeting of Board | (r) "Board Meeting" or "Meeting of Board" means meeting of the Board of Directors. |
| Annual General Meeting or General Meeting | (s) "Annual General Meeting" or "General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act |
| Extra-Ordinary General Meeting | (t) "Extra-Ordinary General Meeting" means an extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof |
| Memorandum | (u) "Memorandum" means the Memorandum of Association of the Company as originally framed and/or altered from time to time. |
| Month | (v) "Month" means a calendar month |
| National Company Law Tribunal | (w) "National Company Law Tribunal" means National Company Law Tribunal (Tribunal) as defined under section 408 of the Companies Act, 2013. |
| Office | (x) "Office" means the registered office for the time being of the Company |

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| Title of Article | Article Number and contents |
|---|---|
| Ordinary Resolution | (y) "Ordinary Resolution" shall have the meanings assigned to it by Section 114 of the Act |
| Paid Up | (z) "Paid-up" includes capital credited as paid up |
| Person | (aa) "Person" shall be deemed to include corporations and firms as well as individuals. |
| Proxy | (ab) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney. |
| Public Holiday | (ac) "Public Holiday" means public holiday within the meaning of the Negotiable Instruments Act, 1881 provided that no date declared by the Central Government to be a public holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting. |
| The Register of Members | (ad) "The Register of Members" means the Register of Members to be kept pursuant to Section 88 of the Act |
| The Registrar | (ae) "The Registrar" means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated. |
| Seal | (af) "Seal" means the common seal for the time being of the Company. |
| Secretary | (ag) "Secretary" means any individual possessing the prescribed qualifications under the Company Secretary Act, 1980 appointed by the Board to perform theduties of a Secretary |
| Shares | (ah) "Shares" means share in the share capital of the Company and includes stock where a distinction between stocks and share is expressed or implied |
| Special Resolution | (ai) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act. |
| The Statutes | (aj) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company |
| Financial Year | (ak) "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act |
| Singular Number | (al) Words importing the Singular number include where the context admits or requires the plural number and *vice versa.* |
| These presents | (am)"These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time. |
| Variation | (an)Variation" shall include abrogation; and "vary" shall include |



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| Title of Article | Article Number and contents |
|---|---|
| | abrogate. |
| Expressions in the Act to bear the same meaning in Articles | (ao) Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force. |

**CAPITAL AND INCREASE AND REDUCTION OF CAPITAL**

| Title of Article | Article Number and contents |
|---|---|
| Share Capital | 3.<br>The Authorized Share Capital of the Company shall be as stated in clause V of the Memorandum of Association of the Company, with power of the Company to increase or decrease the capital.* |
| Increase of capital by the Company how carried into effect | 4.<br>The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 and of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act |
| New Capital same as existing capital | 5.<br>Except so far as otherwise provided by the conditions of issue or by These Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise. |
| Non Voting Shares | 6.<br>The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force. |
| Redeemable Preference Shares | 7.<br>Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption. |
| Voting rights of preference shares | 8.<br>The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares. |



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| Title of Article | Article Number and contents |
|---|---|
| Provisions to apply on issue of Redeemable Preference Shares | 9.<br>On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect:<br>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh i s su e of shares made for the purpose of the redemption.<br>(b) No such Shares shall be redeemed unless they are fully paid.<br>(c) The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed.<br>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.<br>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. |
| Reduction of capital | 10.<br>The Company may (subject to the provisions of section 52, 55 and 66, , and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce<br>(a) the share capital;<br>(b) any capital redemption reserve account; or<br>(c) any security premium account.<br>in any manner for the time being, authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted. |
| Purchase of own Shares | 11.<br>The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase. |
| Sub-division consolidation and cancellation of Shares | 12.<br>Subject to the provisions of Section 61 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub- divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled. |



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MODIFICATION OF RIGHTS

| Title of Article | Article Number and contents |
|---|---|
| Modification of rights | 13.<br>Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall *mutatis mutandis* apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted.<br>The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be modified, commuted, affected, dealt with or varied by the creation or issue of further Shares ranking *pari passu* therewith. |

**SHARES, CERTIFICATES AND DEMATERIALISATION**

| Title of Article | Article Number and contents |
|---|---|
| Restriction on allotment and return of allotment | 14.<br>The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Sections 39 and 70 of the Act, and shall cause to be made the returns as to allotment provided for in Section 75 of the Act. |
| Further issue of shares | 15.<br>(1) Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—<br><br>(*a*) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—<br><br>(*i*) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as prescribed under Rule 12A of the Companies (Share Capital and Debentures) Rules, 2014 and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;<br>Provided that notwithstanding anything contained in this sub-clause and sub-section (2) of this section, in case ninety percent of the members of a private company have given their consent in writing or in electronic mode, the periods lesser than those specified in the said sub-clause or sub-section shall apply.<br>(*ii*) unless the articles of the company otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (*i*) shall contain a statement of this |



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| | right;<br>(*iii*) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not dis-advantageous to the shareholders and the company;<br>(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as given in the Act.<br>(c) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, subject to the compliance with the applicable provisions of Chapter III and other conditions as prescribed under the Act..<br>(2) Nothing in this Article shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debenture issued or loan raised by the company to convert such debentures or loans into shares in the company:<br>Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.<br>(3) Where any debentures have been issued, or loan has been obtained from any Government by a company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:<br>Provided that where the terms and conditions of such conversion are not acceptable to the company, it may, within sixty days from the date of communication of such order,appeal to the Tribunal which shall after hearing the company and the Government pass such order as it deems fit.<br>(4) Where the Government has, by an order made under (3), directed that any debenture or loan or any part thereof shall be converted into shares in a company and where no appeal has been preferred to the Tribunal under (3) or where such appeal has been dismissed, the memorandum of such company shall, where such order has the effect of increasing the authorised share capital of the company, stand altered and the authorised share capital of such company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into. |

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| Title of Article | Article Number and contents |
|---|---|
| Shares at the disposal of the Directors | 16.<br>Subject to the provisions of Section 62 of the Act and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. |
| Power to offer Shares/options to acquire Shares | 16A<br>(i) Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not but excluding an independent director), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.<br>(ii) In addition to the powers of the Board under Article 16A(i), the Board may also allot the Shares referred to in Article 16A(i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A(i)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of monies for the purposes of such trust, as it deems fit.<br>(iii) The Board, or any Committee thereof duly authorised for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles<br>16A(i) and (ii) above. |

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| Title of Article | Article Number and contents |
|---|---|
| Application of premium received on Shares | 17.<br>(1) where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the security premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the security premium account were paid up share capital of the Company.<br><br>(2) The security premium account may, notwithstanding anything in clause (I) thereof be applied by the Company:<br>(a) In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus;<br>(b) In writing off the preliminary expenses of the Company;<br>(c) In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ; or<br>(d) In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.<br>(e) For the purchase of its own shares or other securities |
| Power also to Company in General Meeting to issue Shares | 18.<br>In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 62 of the Act, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 52 and 53 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 52 and 53 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares. |
| Power of General Meeting to authorize Board to offer Shares/Options to employees | 18A<br>Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose<br>In addition to the powers contained in Article 18A(i), the General |



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| Title of Article | Article Number and contents |
|---|---|
| | Meeting may authorize the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article. |
| Shares at a discount | 19.<br><br>(1) The Company may issue sweat equity shares of a class of shares already issued, if the following conditions are fulfilled, namely:—<br>(a) The issue is authorised by a special resolution passed by the company;<br>(b) The resolution specifies the number of shares, the current market price, consideration, if any, and the class or classes of directors or employees to whom such equity shares are to be issued;<br>(c) Where the equity shares of the company are listed on a recognised stock exchange , the sweat equity shares are issued in accordance with the regulations made by the Securities and Exchange Board in this behalf and if they are not so listed, the sweat equity shares are issued in accordance with Companies (Share Capital and Debentures) Rules, 2014.<br>(2) The rights, limitations, restrictions and provisions as are for the time being applicable to equity shares shall be applicable to the sweat equity shares issued under this Article and the holders of such shares shall rank pari passu with other equity shareholders.<br>(3) A company may issue shares at a discount to its creditors when its debt is converted into shares in pursuance of any statutory resolution plan or debt restructuring scheme in accordance with any guidelines or directions or regulations specified by the Reserve Bank of India under the Reserve Bank of India Act, 1934 or the Banking (Regulation) Act, 1949. |
| Installments of Shares to be duly paid | 20.<br><br>If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of |

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| | non-payment the provisions of these Articles as to payment of interest and expenses, forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided. |
| The Board may issue Shares as fully paid-up | 21.<br>Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares. |
| Acceptance of Shares | 22.<br>Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member. |
| Deposit and call etc., to be debt payable | 23.<br>The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly. |
| Liability of Members | 24.<br>Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof. |
| Dematerialization of securities | 25.(A)<br><br>Definitions<br><br>**Beneficial Owner** "Beneficial Owner" means a person whose name is recorded as such with a Depository.<br><br>**SEBI** "SEBI" means the Securities and Exchange Board of India.<br><br>**Bye-Laws** "Bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996;<br><br>**Depositories Act** "Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force;<br><br>**Depository** "Depository" means a company formed and registered under the Companies Act, 2013 or any previous act and which has been granted a certificate of registration under sub-section (1A) of Section 12 |



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| | of the Securities and Exchange Board of India Act, 1992;<br><br>**Record** "Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;<br><br>**Regulations** "Regulations" mean the regulations made by SEBI;<br><br>**Security** "Security" means such security as may be specified by SEBI. |
| Dematerialisation of securities | 25.(B)<br>Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act. |
| Options to receive security certificates or hold securities with depository | 25.(C)<br>Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository.<br>Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allottee as the Beneficial Owner of that Security. |
| Securities in depositories to be in fungible form | 25.(D)<br>All Securities held by a Depository shall be dematerialised and shall be in a fungible form; nothing contained in Sections88, 89 112, and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners. |
| Rights of depositories and beneficial owners | 25.(E)<br>(1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;<br><br>(2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it;<br><br>(3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository. |
| Depository To Furnish Information | 25.(F)<br>Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf. |
| Service of | 25.(G)<br>Notwithstanding anything in the Act or these Articles to the contrary, |



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| documents | where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronics mode or by delivery of floppies or discs. |
| Option to opt out in respect of any security | 25.(H)<br>If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be. |
| Sections 45 and 56 of the Act not to apply | 25.(I)<br>Notwithstanding anything to the contrary contained in the Articles,<br>(1) Section 45 of the Act shall not apply to the Shares held with a Depository;<br>(2) Section 56 of the Act shall not apply to transfer of Security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository. |
| Share certificate | 26.<br>(a) Every Member or allotee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name.<br><br>(b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them. |
| Limitation of time for issue of certificates | 26A.<br>Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder. |
| Renewal of share certificates | 27.<br>No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is |



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| | surrendered to the Company.<br><br>PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized. |
| Issue of new certificate in place of one defaced, lost or destroyed | 28.<br>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.20/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.<br><br>Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.<br>The provision of this Article shall *mutatis mutandis* apply to Debentures of the Company. |
| The first name joint holder deemed sole holder | 29.<br>If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles. |
| Issue of Shares without Voting Rights | 30.<br>In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such shares upon such terms and conditions and with such rights and privileges<br>annexed thereto as thought fit and as may be permitted by law. |
| Buy-Back of Shares and Securities | 31.<br>Notwithstanding anything contained in these Articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of Section 67 and SEBI (Buy back of Shares) Regulations, as may be permitted by law. |
| Employees Stock Options Scheme/ | 32.<br>The Directors shall have the power to offer , issue and allot Equity Shares or Debentures (Whether fully / partly convertible or not |



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| Plan | into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit. |
| Sweat Equity | 33.<br>Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition. |
| Postal Ballot | 34.<br>The Company may pass such resolution by postal ballot in the manner prescribed by Section 110 of the Act and such other applicable provisions of the Act and any future amendments or re-enactment thereof. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company. |
| Company not bound to recognize any interest in Shares other than of registered holder | 35.<br>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them. |
| Trust recognised | 36.<br>Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership. |

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| Declaration by person not holding beneficial interest in any Shares | 37.<br>(1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act<br>2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act<br>(3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, if so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act<br>(4) Not withstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration. |
| Funds of Company not to be applied in purchase of Shares of the Company | 38.<br>No funds of the Company shall except as provided by Section 67 of the Act, be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 52, 55 and 66 of the Act and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person for any Share in the Company or in its holding Company. |

**UNDERWRITING AND BROKERAGE**

| Title of Article | Article Number and contents |
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| Commission may be paid | 39.<br>Subject to the provisions of Section 40 of the Act, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company but so that the commission shall not exceed, in the case of the Shares, five percent of the price at which the Shares are issued and in the case of debentures two and half percent of the price at which the debenture are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid Shares or debentures as the case may be or partly in one way and partly in the other. |



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| Brokerage | 40.<br>The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful. |
| Commission to be included in the annual return | 41.<br>Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Section 92 of the Act. |

**DEBENTURES**

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| Debentures with voting rights not to be issued | 42.<br>(a) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business.<br>(b) The Company shall have power to reissue redeemed debentures in certain cases in accordance with Section 71 of the Act.<br>(c) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 123 of the Act.<br>(d) Certain charges (which expression includes mortgage) mentioned in Section 77 of the Act, shall be void against the Liquidator or creditor unless registered as provided in Section 77 of the Act.<br>(e) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance.<br>(f) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 56 of the Act) within six months after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture-stock allotted or transferred.<br>(g) The Company shall comply with the provisions of Section 71 of the Act, as regards supply of copies of debenture Trust Deed and inspection thereof.<br>(h) The Company shall comply with the provisions of Section 77 to 87 (inclusive) of the Act as regards registration of charges. |

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**CALLS**

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| Directors may make calls | 43.<br>(a) Subject to the provisions of Section 49 of the Act, the Board of Directors may from time to time by a resolution passed at a meeting of a Board make such calls as it thinks fit upon the Members in respect of all monies unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine..<br>(b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof. |
| Notice of call when to be given | 44.<br>Not less than **fourteen days** notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid. |
| Call deemed to have been made | 45.<br>A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors. |
| Directors may extend time | 46.<br>The Board of Directors may, from time to time at its discretion, extend the time fixed for the payment of any call and may extended such time to call or any of the Members, the Board of Directors may deem fairly entitled to such extension but no Member shall be entitled to such extension as of right except as a matter of grace and favour. |
| Amount payable at fixed time or by installments to be treated as calls | 47.<br>If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly. |
| When interest on call or installment payable | 48.<br>If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding eighteen percent per annum as Directors shall fix from the day appointed for the payment thereof upto the time of actual payment but the Directors may waive payment of such interest wholly or in part. |

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| Evidence in action by Company against share holder | 49.<br>On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt. |
| Payment in anticipation of calls may carry interest | 50.<br>The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any Member willing to advance the same whole or any part of the monies due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.<br><br>The Members shall not be entitled to any voting rights in respect of the monies so paid by him until the same would but for such payment, become presently payable.<br><br>The provisions of these Articles shall mutatis mutandis apply to the calls on any other securities including Debentures of the Company. |

**LIEN**

| Title of Article | Article Number and contents |
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| Partial payment not to preclude forfeiture | 51.<br>Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided. |
| Company's lien on Shares/ Debentures | 52.<br>The Company shall have first and paramount lien upon all Shares/ Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all monies (whether presently |



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| | payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/ Debentures; Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/Debentures. The Directors may at any time declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article. |
| As to enforcing lien by sale | 53.<br>The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same PROVIDED THAT no sale shall be made:-<br>(a) Unless a sum in respect of which the lien exists is presently payable; or<br>(b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.<br>For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorise one of their members to execute a transfer on behalf of and in the name of such Member.<br>(c) The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. |
| Application of proceeds of sale | 54.<br>(a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and<br>(b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale). |

FORFEITURE OF SHARES

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| If money payable on Shares not paid notice to be given | 55.<br>If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. |
| Sum payable on allotment to be deemed a call | 56.<br>For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment. |



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| Form of notice | 57.<br>The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited. |
| In default of payment Shares to be forfeited | 58.<br>If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other monies payable in respect of the forfeited Shares and not actually paid before the forfeiture. |
| Notice of forfeiture to a Member | 59.<br>When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid. |
| Forfeited Shares to be the property of the Company and may be sold etc. | 60.<br>Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit. |
| Member still liable for money owning at the time of forfeiture and interest | 61.<br>Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such monies or any part thereof, if it thinks fit, but shall not be under any obligation to do so. |
| Effects of forfeiture | 62.<br>The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved. |
| Power to annul forfeiture | 63.<br>The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit. |

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| Declaration of forfeiture | 64<br>(a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.<br><br>(b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.<br><br>(c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.<br><br>(d) Any such purchaser or allotee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.<br><br>(e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the Shares. |
| Provisions of these articles as to forfeiture to apply in case of nonpayment of any sum. | 65.<br>The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified. |
| Cancellation of shares certificates in respect of forfeited Shares | 66.<br>Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto. |
| Evidence of forfeiture | 67.<br>The declaration as mentioned in Article 64(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share. |

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| Title of Article | Article Number and contents |
|---|---|
| Validity of sale | 68.<br>Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. |
| Surrender of Shares | 69.<br>The Directors may subject to the provisions of the Act, accept a surrender of any share from any Member desirous of surrendering on such terms and conditions as they think fit. |

**TRANSFER AND TRANSMISSION OF SHARES**

| Title of Article | Article Number and contents |
|---|---|
| No transfers to minors etc. | 70.<br>No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind. |
| Instrument of transfer | 71.<br>The instrument of transfer shall be in writing and all provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. |
| Application for transfer | 72.<br>(a) An application for registration of a transfer of the Shares in the Company may be either by the transferor or the transferee.<br>(b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice<br>(c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post. |
| Execution of transfer | 73.<br>The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 56 of the Companies Act, 2013 and any statutory modification thereof for the time being shall be duly complied with. |
| Transfer by legal representatives | 74.<br>A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member, be as valid as if he had been a Member at the time of the execution of the instrument of transfer. |



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| Title of Article | Article Number and contents |
|---|---|
| Register of Members etc when closed | 75.<br>The Board of Directors shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board. |
| Directors may refuse to register transfer | 76.<br>Subject to the provisions of Section 58, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares. |
| Death of one or more joint holders of Shares | 77.<br>In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person. |
| Titles of Shares of deceased Member | 78.<br>The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act. |
| Notice of application when to be given | 79.<br>Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act. |



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| Title of Article | Article Number and contents |
|---|---|
| Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause) | 80.<br>Subject to the provisions of the Act and Article 77 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause". |
| Refusal to register nominee | 81.<br>Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration. |
| Person entitled may receive dividend without being registered as a Member | 82.<br>A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other monies payable in respect of the Share. |
| No fee on transfer or transmissions | 83.<br>No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and Letter of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document. |
| Transfer to be presented with evidence of title | 84.<br>Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board. |
| Company not liable for disregard of a notice prohibiting registration of transfer | 85.<br>The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to |



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| | regard and attend to any such notice and give effect thereto if the Board shall so think fit. |

**SHARE WARRANTS**

| Title of Article | Article Number and contents |
|---|---|
| Power to issue share warrants | 86.<br>The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the<br>Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant. |
| Deposit of share warrants | 87.<br>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant<br>(b) Not more than one person shall be recognized as depositor of the Share warrant<br>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor |
| Privileges and disabilities of the holders of share warrant | 88.<br>(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.<br>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company. |
| Issue of new share warrant coupons | 89.<br>The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction. |

**CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

| Title of Article | Article Number and contents |
|---|---|
| Share may be converted into stock | 90.<br>The Company may, by Ordinary Resolution:<br>(a) Convert any fully paid up Share into stock, and<br>(b) reconvert any stock into fully paid-up Shares. |
| Transfer of stock | 91.<br>The several holders of such stock may transfer their respective interest |



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|---|---|
| | therein or any part thereof in the same manner and subject to the same regulations under which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit.<br>PROVIDED THAT the Board may, form time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which stock arose. |
| Right of stock holders | 92.<br>The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages. |
| Regulation applicable to stock and share warrant | 93.<br>Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Share holder" in these regulations shall include "stock" and "stock holder" respectively. |

**BORROWING POWERS**

| Title of Article | Article Number and contents |
|---|---|
| Power to borrow | 94.<br>Subject to the provisions of Sections 73, 179 and 180 of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source. PROVIDED THAT, where the monies to be borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company, its free reserves (not being reserves set apart for any specific purpose) and securities premium the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded. |
| The payment or repayment of monies borrowed | 95.<br>The payment or repayment of monies borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. |



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| Title of Article | Article Number and contents |
|---|---|
| Bonds, Debentures, etc. to be subject to control of Directors | 96.<br>Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and condition and in such manner and for such consideration as they shall consider to be for the benefit of the Company. |
| Terms of issue of Debentures | 97.<br>Any Debentures, Debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise; However, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution. |
| Mortgage of uncalled capital | 98.<br>If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed. |

**MEETING OF MEMBERS**

| Title of Article | Article Number and contents |
|---|---|
| First Annual General meeting | 99.<br>The First Annual General meeting shall be held in accordance with the provisions of Section 96 of the Act within a period of nine months from the date of closing of first financial year of the company<br>. |
| Annual General Meeting | 100.<br>The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meeting in that year. All General Meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings. An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time with which any Annual General Meeting may be held. Every Annual General Meeting shall be called at a time during business hours, on a day that is not a public holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Company, shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor. At |



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| Title of Article | Article Number and contents |
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| | every Annual General Meeting of the Company there shall be laid on the table the Director's Report and audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 92 and 137 of the Act. |
| Report statement and registers to be laid before the Annual General Meeting | 101.<br>The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting. |
| Extra-Ordinary General Meeting | 102.<br>All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting. |
| Requisitionists' meeting | 103.<br>(1) Subject to the provisions of Section 100 and 111 of the Act, the Directors shall on the requisition in writing or through electronic mode at least twenty one clear days prior to the proposed date of the requisitioned extraordinary general meeting, of such number of Members as is hereinafter specified and (unless the General Meeting otherwise resolves) at the expense of the requisitionists:-<br>(a) Give to the Members of the Company entitled to receive notice of the next Annual General Meeting, specifying the place, date, day and hour of the meeting and the business to be transacted at the meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting.<br>(b) Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting.<br>(2) The number of Members necessary for a requisition under clause (1) hereof shall be (a) Such number of Members as represent not less than one-tenth of the total voting power of all the Members having at the date of the resolution a right to vote on the resolution or business to which the requisition relates;<br>(3) The requisition so made shall set out the matters for the consideration of which the meeting is to be called and shall be signed by the requisitionists and sent to the registered office of the company.<br>(4) If the Board does not, within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call a meeting for the consideration of that matter on a day not later than forty-five days from the date of receipt of such requisition, the meeting may be called and held by the requisitonists themselves within a period of three months from the date of the requisition.<br>(5) The requistionists should convene meeting at Registered office or in the same city or town where Registered office is situated and such meeting should be convened on any day except national holiday. |

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| | (6) The notice shall be signed by all the requistionists or by a requistionists duly authorised in writing by all other requistionists on their behalf or by sending an electronic request attaching therewith a scanned copy of such duly signed requisition.<br>(7) No explanatory statement as provided in Article 109 need be annexed to the notice of an extraordinary general meeting convened by the requistionists and the requistionists may disclose the reasons for the resolution(s) which they propose to move at the meeting.<br>(8) The notice of the meeting shall be given to those members whose names appear in the Register of members of the company within three days on which the requistionists deposit with the Company a valid requisition for calling an extraordinary general meeting.<br>(9) Where the meeting is not convened, the requistionists shall have a right to receive list of members together with their registered address and number of shares held and the company concerned is bound to give a list of members together with their registered address made as on twenty first day from the date of receipt of valid requisition together with such changes, if any, before the expiry of the forty-five days from the date of receipt of a valid requisition.<br>(10) The notice of the meeting shall be given by speed post or registered post or through electronic mode. Any accidental omission to give notice to, or the non-receipt of such notice by, any member shall not invalidate the proceedings of the meeting. |
| Extra-Ordinary General Meeting by Board and by requisition<br><br>When a Director or any two Members may call an Extra Ordinary General Meeting | 104.<br>(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of the Company.<br><br>(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors. |
| Contents of requisition, and number of requisitionists required and the conduct of Meeting | 105.<br>(1) In case of requisition the following provisions shall have effect:<br>(a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.<br>(b) The requisition may consist of several documents in like form each signed by one or more requisitionists.<br>(c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter.<br>(d) Where two or more distinct matters are specified in the requisition, the |



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| | provisions of sub-clause (c) shall apply separately in regard to such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.<br>(e) If the Board does not within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed, duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called:<br>(i) By the requisitionists themselves ; or<br>(ii) by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (I) which ever is less. PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 114 of the Act.<br>(2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them:<br>(a) shall be called in the same manner as, nearly as possible, as that in which meeting is to be called by the Board; but<br>(b) shall not be held after the expiration of three months from the date of deposit of the requisition. PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period.<br>(3) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them.<br>(4) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default. |
| Length of notice of Meeting | 106.<br>(1) A General Meeting of the Company may be called by giving not less than clear twenty-one days notice in writing.<br>(2) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto:<br>(i) In the case of Annual General Meeting by all the Members entitled to vote thereat; and<br>(ii) In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting.<br>PROVIDED THAT where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later. |



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| Title of Article | Article Number and contents |
|---|---|
| Contents and manner of service of notice | 107<br>(1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat.<br>(2) Subject to the provisions of the Act notice of every General Meeting shall be given;<br>**(a)** to every Member of the Company, in any manner authorised by of Section 20 of the Act;<br>(b) to the persons entitled to a Share in consequence of the death, or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for ,the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and<br>(c) to the Auditor or Auditors for the time being of the Company in any manner authorised by Section 20 of the Act in the case of Members of the Company<br><br>PROVIDED THAT, where the notice of a Meeting is given by advertising the same in a newspaper circulating in the neighborhood of Registered Office of the Company under of Section 20 of the Act, the statement of material facts referred to in Section 102 of the Act need not be annexed to the notice as required by that Section, but it shall be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.<br><br>(3)Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company. |
| Special and ordinary business and explanatory statement | 108.<br>(1)(a) In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to<br>(i) the consideration of the accounts, balance sheet the reports of the Board of Directors and Auditors;<br>(ii) the declaration of dividend;<br>(iii) the appointment of Directors in the place, of those retiring; and<br>(iv) the appointment of, and the fixing of the remuneration of the Auditors, and<br>(b) In the case of any other meeting, all business shall be deemed special<br>(2) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item, of business, including in particular the nature of the concern or interest, if any, therein of every Director.<br>PROVIDED THAT, where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up-share capital of the other company. |



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| | (3) Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid. |
| Omission to give notice not to invalidate proceedings | 109.<br>The accidental omission to give such notice as aforesaid to or non-receipt thereof by, any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting. |

| Title of Article | Article Number and contents |
|---|---|
| Notice of business to be given | 110.<br>No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting. |
| Quorum | 111.<br>Five Members entitled to vote and present in person shall be quorum for General Meeting and no business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 113 of the Act. |
| If quorum not present when Meeting to be dissolved and when to be adjourned | 112.<br>If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and in any other case the Meeting shall stand, adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called. |
| Resolution passed at adjourned Meeting | 113.<br>Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date. |
| Chairman of General Meeting. | 114.<br>At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman. |

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| Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required. | 114(A)<br>Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution. |
| Business confined to election of Chairman whilst the Chair is vacant | 115.<br>No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant. |
| Chairman may adjourn Meeting | 116.<br>(a) The Chairman may with the consent of Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time and from place to place.<br>(b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place.<br>(c) When a Meeting is adjourned for thirty days or more notice of the adjourned Meeting shall be given as in the case of an original Meeting.<br>(d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting. |
| How questions are decided at Meetings | 117.<br>Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles. |
| Chairman's declaration of result of voting on show of hands | 118.<br>A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution. |
| Demand of poll | 119.<br>Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than five lakh rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand. |
| Time of taking poll | 120.<br>A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be |



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| | deemed to be the decision of the Meeting on the resolution on which the poll was taken. |
| Chairman's casting vote | 121.<br>In the case of equality of votes the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member. |
| Appointment of scrutinizers | 122.<br>Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutinizers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of the scrutinizer arising from such removal or from any other cause. |
| Demand for poll not to prevent transaction of other business | 123.<br>The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded. |
| Special notice | 124.<br>Where by any provision contained in the Act or in these Articles, special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company not earlier than three months but at least fourteen days before the date Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting. |

**VOTES OF MEMBERS**

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| Member paying money in advance not to be entitled to vote in respect thereof | 125.<br>A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of monies so paid by him until the same would but for such payment become presently payable. |
| Restriction on exercise of voting rights of Members who have not paid calls | 126.<br>No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien. |
| Number of votes to which Member | 127.<br>Subject to the provisions of Article 125, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a |



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| entitled | show of hands when present in person (or being a body corporate present by a representative duly authorised) have one vote and on a poll, when present in person (including a body corporate by a duly authorised representative), or by an agent duly authorised under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company. Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in sub-section (2) of Section 47) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken. |
| Votes of Members of unsound mind | 128.<br>A Member of unsound mind, or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy. |
| Votes of joint Members | 129.<br>If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorised under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof. |
| Representation of body corporate | 130.<br>(a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorise such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorised by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat.<br>(b) Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor |



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| | may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company. |
| Votes in respects of deceased or insolvent Members | 131.<br>Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight hours before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respectthereof. |
| Voting in person or by proxy | 132.<br>Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act. |
| Rights of Members to use votes differently | 133.<br>On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses |
| Proxies | 134.<br>Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself PROVIDED ALWAYS that a proxy so appointed shall not have any right what so ever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company. |
| Proxy either for specified meeting or for a period | 136.<br>An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting. |
| No proxy to vote on a show of hands | 137.<br>No proxy shall be entitled to vote by a show of hands. |
| Instrument of proxy when to be deposited | 138.<br>The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid. |
| Form of Proxy | 139.<br>Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set |



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| | out in Section 105 of the Act, and signed by the appointer or his attorney duly authorised in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorised by it. |
| Validity of votes given by proxy notwithstanding revocation of authority | 139.<br>A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked. |
| Time for objection to vote | 140.<br>No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting. |
| Chairman of any Meeting to be the judge of Validity of any value | 141.<br>The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive. |
| Custody of Instrument | 142.<br>If any such instrument of appointment is confined to the object of appointing an attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company. |

**DIRECTORS**

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| Number of Directors | 143.<br>Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three and not more than fifteen. |
| Directors at time of adoption of Articles | 144.<br>The persons hereinafter named are the Directors of the Company at time of adoption of the new set of Articles dated 15/07/2021:-<br>(1) Mr. Asad Daud<br>(2) Mr. Hakim Sadiq Ali Tidiwala<br>(3) Mr. Nikhil Khanderao Raut<br>(4) Mr. Ramesh Chandra Soni<br>(5) Mr. Sanjay Suthar |
| Debenture Directors | 145.<br>Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to |



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| | remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein. |
| Nominee Director or Corporation Director | 146.<br>a) Notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as "the corporation") out of any loans granted or to be granted by them to the Company or so long as the Corporation continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/ their places.<br>b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company.<br>c) The Nominee Director(s) so appointed shall hold the said office only so long as any monies remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall *ipso facto* vacate such office immediately on the monies owing by the Company to the Corporation being paid off<br>d) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.<br>e) The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, monies or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, monies and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation.. |



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| | Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such powers and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation(s) nominated him. |
| Special Director | 147.<br>In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company , corporation ,firm or person herein-after in this clause referred to as "collaboration" to appoint from time to time any person as director of the company (hereinafter referred to as "special director") and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.<br><br>The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.<br><br>It is clarified that every collaborator entitled to appoint a director under this Article may appoint one such person as a director and so that if more then one collaborator is so entitled there may be at any time as many special directors as the collaborators eligible to make the appointment. |
| Limit on number of retaining Directors | 148.<br>The provisions of Articles 145, 146, 147 and 148 are subject to the provisions of Section 152 of the Act and number of such Directors appointed under Article 146 shall not exceed in the aggregate one third of the total number of Directors for the time being in office. |
| Alternate Director | 149.<br>The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article |



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| | shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to the State as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director. |
| Directors may fill in vacancies | 150.<br>The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election. |
| Additional Directors | 151.<br>The Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board ("Additional Director") so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only upto the date of the next Annual General Meeting and shall be eligible for election at such Meeting. |
| Qualification shares | 152.<br>A Director need not hold any qualification shares. |
| Directors' sitting fees | 153.<br>The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine. |
| Extra remuneration to Directors for special work | 154.<br>Subject to the provisions of Sections 188, 196 and 197 . . . of the Act, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Board of Directors, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided.<br><br>Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either:<br>i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or<br>ii) by way of commission if the Company by a Special Resolution authorised such payment. |



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| Travelling expenses incurred by Directors on Company's business | 155.<br>The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for travelling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified. |
| Director may act notwithstanding vacancy | 156.<br>The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes. |
| Board resolution necessary for certain contracts | 157.<br><br>(1) Subject to the provisions of Section 188 of the Act, except with the consent of the Board of Directors given by a resolution at a meeting of the Board, no company shall enter into any contract or arrangement with a related party with respect to—<br>(a) sale, purchase or supply of any goods or materials;<br>(b) selling or otherwise disposing of, or buying, property of any kind;<br>(c) leasing of property of any kind;<br>(d) availing or rendering of any services;<br>(e) appointment of any agent for purchase or sale of goods, materials, services or property;<br>(f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and<br>(g) underwriting the subscription of any securities or derivatives thereof, of the company:<br>PROVIDED THAT no member of the company shall vote on such resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party.<br>Provided also that nothing in this sub-section shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis.<br>Provided also that the requirement of passing the resolution under first proviso shall not be applicable for transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.<br>(2) In case the paid up capital or transaction exceeds the limits prescribed under Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, the contracts or arrangements with respect to that given under clause (1) shall be entered with prior approval of the company by a resolution.<br>(3) Every contract or arrangement so entered into shall be referred to in the Board's report to the shareholders along with the justification for entering into such contract or arrangement. |



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| | (4) Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a resolution in the general meeting under clause (1) or clause (2) as the case may be, and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board or, as the case may be, of the shareholders and if the contract or arrangement is with a related party to any director, or is authorised by any other director, the directors concerned shall indemnify the company against any loss incurred by it. |
| Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Wholetime Director | 158.<br>When the Company:-<br>(a) enters into a contract for the appointment of a Managing Director or Wholetime Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or<br><br>(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 190 of the Act shall be complied with. |
| Disclosure of interest of Directors | 159.<br>(a) (1) A director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate , firms, or other association of individuals which shall include the shareholding.<br>(2) Every director of a company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into—<br>(a) with a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter , manager, Chief Executive Officer of that body corporate; or<br>(b) with a firm or other entity in which, such director is a partner, owner or member , as the case may be,<br><br>shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting:<br><br>PROVIDED THAT where a director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.<br>(3) A contract or arrangement entered into by the company without disclosure under clause (2) or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company. |



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| Directors and Managing Director may contract with Company | 160.<br>Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 184 of the Act and in this respect all the provisions of Section 189 of the Act shall be duly observed and complied with. |
| Disqualification of the Director | 161.<br>A person shall not be capable of being appointed Director of the Company if:-<br>(a)he has been found to be of unsound mind and stands so declared by a competent court;<br>(b) he is an undischarged insolvent;<br>(c) he has applied to be adjudged an insolvent and his application is pending;<br>(d) he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed form the date of expiry of the sentence;<br>Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;<br>(e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or<br>(f) an order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order is in force;<br>(g) he has not complied with sub-section (3) of section 152.<br>(h) he has not complied with the provisions of sub-section (1) of section 165.<br>(i) he is or has been a director of a company which has not filed financial statements or annual returns for any continuous period of three financial years;<br>(j) he is or has been a director of a company which has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debenture on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.<br>Provided that where a person is appointed as a director of a company which is in default of clause (i) or clause (j), he shall not incur the disqualification for a period of six months from the date of his appointment. |



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| Vacation of office by Directors | 162.<br><br>The office of Director shall become vacant if:-<br><br>(a) he incurs any disqualification as provided in Article 161.<br><br>Provided that where he incurs disqualification under clause (i) and (j) of Article 161, the office of the director shall become vacant in all the companies, other than the company which is in default under those sub-clauses. ; or<br><br>(b) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board; or<br><br>(c) he acts in contravention of the provisions of Article 159 relating to entering into contracts or arrangements in which he is directly or indirectly interested<br><br>(d) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Article 159; or<br><br>(e) he becomes disqualified by an order of the Court or the Tribunal;<br><br>or<br><br>(f) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months.<br>Provided that the office shall not be vacated by the director in case of orders referred to in clauses (e) and (f)—<br><br>(i) for thirty days from the date of conviction or order of disqualification;<br>(ii) where an appeal or petition is preferred within thirty days as aforesaid against the conviction resulting in sentence or order, until expiry of seven days from the date on which such appeal or petition is disposed of; or<br>(iii) where any further appeal or petition is preferred against order or sentence within seven days, until such further appeal or petition is disposed of.<br><br>; or<br><br>(g) he is removed in pursuance of the provisions of the Act.<br><br>(h) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary company , associate company , ceases to hold such office or other employment in that company., or |

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| Removal of Directors | 164.<br>(a) The Company may subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 242 of the Act before the expiry of his period of office, after giving a reasonable opportunity of being heard.<br>Provided that an independent director re-appointed for second term under sub-section (10) of section 149 shall be removed by the company only by passing a special resolution and after giving him a reasonable opportunity of being heard:<br>Provided further that nothing contained in this sub-section shall apply where the company has availed itself of the option given to it under section 163 to appoint not less than two thirds of the total number of directors according to the principle of proportional representation.<br><br>(b) Special Notice<br>shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed.<br>(c) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy; thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting.<br>(d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are received by it too late for it to do so:<br>(i) in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and<br>(ii) send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations are received by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late\ or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting; provided that copies of the representation need not be sent or read out at the Meeting if on the application, either of the Company or of any other person who claims t o b e aggrieved, the Tribunal is satisfied that the rights concerned by this sub-clause are being abused to secure needless publicity for defamatory matter.<br>(e) A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 153 or Section 161 of the Act be filled by the appointment of another Director in his place by the Meeting at which he is removed, provided special |

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| | notice of the intended appointment has been given under Article 162 hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.<br>(f) If the vacancy is not filled under sub-clause(e), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable, of Article 152 or Section 161 of the Act, and all the provisions of that Article and Section shall apply accordingly<br>(g) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.<br>(h) Nothing contained in this Article shall be taken:-<br>(i) as depriving a person removed hereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director, or<br>(ii) as derogating from any power to remove a Director which may exist apart from this Article. |
| Interested Directors not to participate or vote in Board's proceedings | 165.<br>No Director shall as a Director take part in the discussion of or vote on any contract, arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void.<br>Provided however, that nothing herein contained shall apply to:-<br>(a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;<br>(b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely;<br>(i) in his being;<br>(a) a director of such company; and<br>(b)the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the Company, or<br>(ii) in his being a member holding not more than two percent of its paid-up share capital. |
| Director may be director of companies promoted by the Company | 166.<br>A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 197(14) or<br>Section 188 of the Act may be applicable. |
| Appointment of Sole Selling Agents | 167.<br>a) The appointment, re-appointment and extension of the term of a sole selling agent, shall be regulated in accordance with the provisions of Section 188 of the Act and any Rules or Notifications issued by the competent authority in accordance with that Section and the Directors and/or the Company in General Meeting may make the appointment, re-appointment or extension of the term of office in accordance with and subject to the provisions of the said Section and such rules or notifications, if any, as may be applicable. |

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| | b) The payment of any compensation to a sole selling agent shall be subject to the provisions of Section 188 of the Act. |

**ROTATION AND APPOINTMENT OF DIRECTORS**

| Title of Article | Article Number and contents |
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| Rotation of Directors | 168.<br>Not less than two third of the total number of Directors shall (a) be persons whose period of the office is liable to termination by retirement by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting. |
| Retirement of Directors | 169.<br>Subject to the provisions of Articles 147 and 149, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate. |
| Retiring Directors | 170.<br>Subject to the provisions of Section 152 of the Act and Articles 145 to 152, at every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 183, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation. |
| Appointment of Technical or Executive Directors | 171.<br>a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.<br>b) Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting is vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid. |
| Ascertainment of Directors retiring by rotation and filling of vacancies | 172.<br>Subject to Section 174 of the Act, the Directors retiring by rotation under Article 173 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot. |
| Eligibility for re-election | 173.<br>A retiring Director shall be eligible for re-election and shall act as a Director throughout and t i l l the conclusion of the Meeting at which he retires. |

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| Company to fill vacancies | 174.<br>Subject to Sections 149 and 188 of the Act, the Company at the General Meeting, at which a Director retires in manner aforesaid, may fill up the vacancy by appointing the retiring Director or some other person thereto. |
| Provision in default of appointment | 175.<br>(a) If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.<br>(b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless:<br>(i) at that Meeting or the previous Meeting a resolution for the re-appointment of such Director has been put to the Meeting and lost.<br>(ii) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed.<br>(iii) he is not qualified or is disqualified for appointment<br>(iv) a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or<br>(v) the provision of the section 162 of the Act is applicable to the case. |
| Company may increase or reduce the number of Directors or remove any Director | 176.<br>Subject to the provisions of Section 149, and152 of the Act, the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications. |
| Appointment of Directors to be voted individually | 177.<br>(a) No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being given against it.<br>(b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions of the automatic re-appointment of retiring Directors in default of another appointment as herein before provided shall apply.<br>(c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment. |
| Notice of candidature for office of Directors except in certain cases | 178.<br>(1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given at least fourteen days notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in |



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| | getting elected as a Director.<br><br>(2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office by serving individual notices on the Members not less than seven days before the Meeting provided that it shall not be necessary for the Company to serve individual notices upon the Members as aforesaid if the Company advertises such candidature or intention not less than seven days before the Meeting in at least two newspapers circulating in the place where the registered office of the Company is located of which one is published in the English language and the other in the regional language of that place.<br><br>(3) Every person (other than Director retiring by rotation or otherwise a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.<br><br>(4) A person other than a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 149 of the Act ,appointed as a Director re- appointed as an additional or alternate Director immediately on the expiry of his term of office shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director. |
| Disclosure by Directors of their holdings of their Shares and debentures of the Company | 179.<br>Every Director shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of Section 170. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given. |
| Votes of Body Corporate | 180.<br>A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the Company and the persons so authorized shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the Company and the production of a copy of the Minutes of such resolution certified by a Director or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote. |

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## MANAGING DIRECTOR

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| Powers to appoint Managing Director | 181.<br>Subject to the provisions of Section 196, and 203, of the Act, the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Wholetime Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.<br>(a) The Managing Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013.<br>(b) Subject to the provisions of Sections 152 of the Act and any contract between him and the company, the Managing Director shall be while he continues to hold that office, subjected to retirement by rotation. |
| Remuneration of Managing Director | 182.<br>Subject to the provisions of Sections 196, and197 of the Act, a Managing Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company. |
| Special position of Managing Director | 183.<br>Subject to any contract between him and the Company, a Managing or Wholetime Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, *ipso facto* and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause. |
| Powers of Managing Director | 184.<br>The Board may from time to time entrust to and confer upon a Managing Director or Whole time Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers, either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers. |
| | 185.<br>The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles. |
| | 186.<br>Receipts signed by the Managing Director for any monies, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the |



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| | money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such monies shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign and accept and endorse cheques on behalf of the Company. |
| | 187.<br>The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as he may think fit. |
| | 188.<br>Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company. |
| Appointment and powers of Manager | 188A<br>The Board may, from time to time, appoint any Manager (under Section 2(53) of the Act) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may, confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient. |

**WHOLE TIME DIRECTOR**

| Title of Article | Article Number and contents |
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| Power to appoint Whole Time Director and/or Whole-time Directors | 189.<br>Subject to the provisions of the Act and of these Articles, the Board may from time to time with such sanction of the Central Government as may be required by law appoint one or more of its Director/s or other person/s as Whole-Time Director or Whole-Time Directors of the Company out of the Directors/ persons nominated under Article only either for a fixed term that the Board may determine or permanently for life time upon such terms and conditions as the Board may determine. The Board may by ordinary resolution and / or an agreement/s vest in such Whole-Time Director or Whole Time Directors such of the powers authorities and functions hereby vested in the Board generally as it thinks fit and such powers may be made exercisable and for such period or periods and upon such conditions and subject to such restrictions as may be determined or specified by the Board and the Board has the powers to revoke, withdraw, alter or vary all or any of such powers and / or remove or dismiss him or them and appoint another or others in his or their place or places again out of the Directors / persons nominated under Article 191 only. The Whole Time Director or Whole Time Directors will be entitled for remuneration as may be fixed and determined by the Board from time to time either by way of an ordinary resolution or a contract/s or an agreement/s under such terms not expressly prohibited by the Act. |



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| To what provisions Whole time Directors shall subject | 190.<br>Subject to the provisions of Section 152 of the Act and these Articles, a Whole Time Director or Whole Time Directors shall not, while he/they continue to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him/they and the Company) he/ they shall be subject to the same provisions as to resignation and removal as the other Directors, and he/they shall ipso facto and immediately ceases or otherwise cease to hold the office of Director/s for any reason whatsoever save that if he/they shall vacate office whether by retirement, by rotation or otherwise under the provisions of the Act at any Annual General Meeting and shall be re-appointed as a Director or Directors at the same meeting he/they shall not by reason only of such vacation, cease to be a Whole Time Director or Whole Time Directors. |
| Seniority of Whole Time Director and Managing Director | 191.<br>If at any time the total number of Managing Directors and Whole Time Directors is more than one, then who shall retire shall be determined by and in accordance with their respective seniorities subject to the provisions of any contract with the company. For the purpose of this Article the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company |

**PROCEEDINGS OF THE BOARD OF DIRECTORS**

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| Meeting of Directors | 192.<br>The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 173 of the Act allow otherwise, Directors shall so meet at least once in every one hundred and twenty days and atleast four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum. |
| Quorum | 193.<br>(a) Subject to Section 174 of the Act the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher. PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of remaining who are not interested) present at the Meeting being not less than two shall be the quorum during such time.<br><br>(b)for the purpose of clause(a)<br>(i) "Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and<br>(ii) "Interested Directors" means any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a |



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| | quorum at a meeting of the Board at the time of the discussion or vote on any matter. |
| Procedure when Meeting adjourned for want of quorum | 194.<br>If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand, adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place. |
| Chairman of Meeting | 195.<br>The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting. |
| Question at Board meeting how decided | 196.<br>Subject to the provisions of Section 203, 186(5) and of the Act, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote. |
| Powers of Board meeting | 197.<br>A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally. |
| Directors may appoint Committee | 198.<br>The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Act, and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board. |
| Meeting of the Committee how to be governed | 199.<br>The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two. |
| Circular resolution | 200.<br>(a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 198 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held.<br>(b) A resolution shall be deemed to have been duly passed by the Board |



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| | or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are entitled to vote on the resolution. |
| Acts of Board or Committee valid notwithstanding defect in appointment | 201.<br>All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered; that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated. |

**POWERS OF THE BOARD**

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| General powers of management vested in the Board of Directors | 202.<br>The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.<br><br>Provided that the Board shall not, except with the consent of the Company in General Meeting :-<br><br>(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;<br>(b) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;,<br>(c) borrow monies where the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company, its free reserves that is to say, reserves not set apart for any specific purpose and securities premium;<br>(d) to remit, or give time for the repayment of, any debt due from a director. |



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| Certain powers to be exercised by the Board only at Meetings | 203.<br><br>(1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board;<br><br>(a) the power to make calls, on shareholders in respect of money unpaid on their Shares,<br><br>(b) the power to authorize buy back of securities,<br><br>(c) the power to issue securities, including Debentures, whether in or outside India,<br><br>(d) the power to borrow monies,<br><br>(e) the power to invest the funds of the Company, and<br><br>(f) the power to grant loans, or give guarantee or provide security in respect of loans,<br><br>(g) to approve financial statement and the Board's report;<br><br>(h) to diversify the business of the company;<br><br>(i) to approve amalgamation, merger or reconstruction;<br><br>(j) to take over a company or acquire a controlling or substantial stake in another company<br><br>(k) to make political contributions<br><br>(l) to appoint or remove key managerial personnel (KMP)<br><br>(m) to appoint internal auditors and secretarial auditor;<br><br>Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the company, the powers specified in sub-clause (d) (e) and (f) to the extent specified below: |

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| Certain powers of the Board | 204.<br>Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:<br>1. To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.<br>2. To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.<br>3. Subject to Section 179 and 188 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.<br>4. At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or otherwise securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.<br>5. To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.<br>6. To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed.<br>7. To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.<br>8. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made thereon.<br>9. To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of |



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| | companies.<br>10. To make and give receipts, releases and other discharges for monies payable to the Company and for the claims and demands of the Company.<br>11. Subject to the provisions of Sections 179, 185, and 186 and all other applicable provisions of the Act, to invest and deal with any monies of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.<br>12. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.<br>13. To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.<br>14. To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any, Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction, and to charge such bonus or commission as a part of the working expenses of the Company.<br>15. To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of monies, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 180 and 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.<br>16. Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the |



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| | Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 179 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital monies of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.<br>17. To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and of such amount as they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.<br>18. To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.<br>19. From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments. |

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| | 20. Subject to Section 179 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorise the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.<br>21. At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 179 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.<br>22. Subject to Sections 188 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.<br>23. From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.<br>24. To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.<br>25. To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.<br>26. To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company, either separately or |



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| | co jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported-by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.<br>27. To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.<br>28. To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.<br>29. From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.<br>30. To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.<br>31. To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.<br>32. To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.<br>33. Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.<br>34. To comply with the requirements of any local law which in their opinion it shall in the interest of the Company, be necessary or expedient to comply with. |

**MANAGEMENT**

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| Prohibition of simultaneous appointment of different categories of managerial personnel | 205.<br>The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely :-<br>a) Managing Director and<br>b) Manager |



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**MINUTES**

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| Minutes to be made | 206.<br>(1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered.<br>(2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed:<br>(a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.<br><br>(b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose. |
| Minutes to be evidence of the proceeds<br><br>Books of minutes of General Meeting to be kept | 207.<br>(a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 118 of the Act shall be evidence of the proceedings recorded therein.<br><br>(b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 119 of the Act and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section. |
| Presumptions | 208.<br>Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 118 of the Act, until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid. |

**THE SECRETARY**

| Title of Article | Article Number and contents |
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| Secretary | 209.<br>The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called "the Secretary") to perform |

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| | any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Act.. |
| The Seal, its custody anduse | 210.<br>**(a) Seal**<br><br>The Board shall provide for the safe custodyof the Seal,.<br><br>**(b) Affixing of Seal on deeds and instruments**<br><br>The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of at least one director or the manager, if any, or of the secretary or such other person as the Board may appoint for the purpose; and such director or manager or the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.<br><br>**(c) Affixing of Seal on Share Certificates**<br><br>Notwithstanding anything contained in Clause (b) above, the Seal on Share Certificates shall be affixed in the presence of such persons as are authorised from time to time to sign the Share Certificates in accordance with the provisions of the Companies (Share Capital and Debentures) Rules in force for the time being.<br><br>**(d) Removal of Common Seal outside the office premises**<br><br>The Board may authorize any person or persons to carry the Common Seal to any place outside the Registered Office for affixture and for return to safe custody to the Registered Office. |

**DIVIDENDS AND CAPITALISATION OF RESERVES**

| Title of Article | Article Number and contents |
|---|---|
| Division of profits | 211.<br>(a) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but if and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares. |



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| | (b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares. |
| The Company at General Meeting may declare dividend | 212.<br>The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting. |
| Dividends out of profits only | 213.<br>The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit. |
| Interim dividend | 214.<br>Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit. |
| Debts may be deducted | 215.<br>(a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.<br>(b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same. |
| Capital paid-up in advance to carry interest, not the right to earn dividend | 216.<br>Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits. |
| Dividends in proportion to amounts paid-up | 217.<br>All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly. |
| No Member to receive dividend while indebted to the Company and the | 218.<br>No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any |



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| Company's right in respect thereof | Member all such sums of money so due from him to the Company. |
| Effect of transfer of Shares | 219.<br>A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer. |
| Dividend to joint holders | 220.<br>Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares. |
| Dividend how remitted | 221.<br>The dividend, interest or monies payable in cash may be paid by electronic mode or cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means. |
| Notice of dividend | 222.<br>Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Shares in the manner herein provided. |
| Reserves | 223.<br>The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit. |
| Dividend to be paid within time required by law. | 224.<br>The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:-<br><br>(a) where the dividend could not be paid by reason of the operation of any law; or<br><br>(b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or<br>(c) where there is dispute regarding the right to receive the dividend; or<br><br>(d) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or<br><br>(e) where for any other reason, the failure to pay the dividend or to post |



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| | the warrant within the period aforesaid was not due to any default on the part of the Company. |
| Unpaid or unclaimed dividend | 225.<br>Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Sah Polymers Limited _____ *(year)* Unpaid Dividend Account".<br><br>Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under Section 125 of the Act.<br><br>No unclaimed or unpaid divided shall be forfeited by the Board. |
| Set-off of calls against dividends | 226.<br>Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls. |
| Dividends in cash | 227.<br>No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company. |
| Capitalisation | 228.<br>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:<br>(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and<br><br>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.<br><br>(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards;<br><br>(a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or<br>(b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or<br>(c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b) |



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| | (3) A security premium account, free reserves and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares. |
| Board to give effect | 229.<br>The Board shall give effect to the resolution passed by the Company in pursuance of above Article. |
| Fractional certificates | 230.<br>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall:<br>(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares and<br>(b) Generally do all acts and things required to give effectthereto.<br>(2)The Board shall have full power:<br>(a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions,also<br>(b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.<br>(3) Any agreement made under such authority shall be effective and binding on all such Members.<br>(4)That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit. |

**ACCOUNTS**

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| Books to be kept | 231.<br>(1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to:<br><br>(a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place<br>(b) all sales and purchases of goods by the Company<br>(c) the assets and liabilities of the Company and<br>(d) if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government<br>Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven |



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| Title of Article | Article Number and Contents |
|---|---|
| | days of the decision file with the Registrar a notice in writing giving the full address of that other place.<br>(2)Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of account relating to the transactions effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause (1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours. |
| Inspection by Members | 232.<br>No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorised by the Board. |
| Statements of accounts to be furnished to General Meeting | 233.<br>The Board of Directors shall from time to time in accordance with Sections 129, and 134 of the Act, cause to be prepared and laid before each Annual General Meeting the financialstatements of the Company for the financial year which shall be a date which shall not precede the day of the Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act. |
| Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 136 | 234.<br>(1) The Company shall comply with the requirements of Section 136 of the Act.<br>The copies of every financial statement, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting.<br>A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting. |
| Accounts to be audited | 235.<br>Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the Financial statements ascertained by one or more Auditor or Auditors. |
| Appointment of Auditors | 236.<br>(1) Auditors shall be appointed, the remuneration shall be fixed and their qualifications, rights and duties regulated in accordance with Section 139 to 146 and 148 of the Act. |
| Accounts when audited and approved to be conclusive except as to errors discovered | 237.<br>Subject to provisions of the Act, Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered after the approval thereof. Whenever any such error is discovered, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article and the provisions of the Act, shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive. |



SAH POLYMERS LTD. UDAIPUR

**DOCUMENTS AND NOTICES**

| Title of Article | Article Number and Contents |
|---|---|
| To whom documents must be served or given | 238.<br>Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency of a Member and (c) the Auditor or Auditors for the time being of the Company, PROVIDED that when the notice of the Meeting is given by advertising the same in newspaper circulating in the neighborhood of the office of the |
| | Company, a statement of material facts under the Articles need not be annexed to the notice, as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the Members of the Company. |
| Members bound by documents or notices served on or given to previous holders | 239.<br>Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share. |
| Service of documents on the Company | 240.<br>A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its Registered Office. |
| Authentication of documents and proceedings | 241.<br>Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorised officer of the Company and need not be under the Seal of the Company. |

**REGISTERS AND DOCUMENTS**

| Title of Article | Article Number and Contents |
|---|---|
| Registers and documents to be maintained by the Company | 242.<br>The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. |

SAH POLYMERS LTD. UDAIPUR

| Title of Article | Article Number and Contents |
|---|---|
| Inspection of Registers | 243.<br>The registers mentioned in the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as prescribed under the Act and the Rules therein. Copies of entries in the registers mentioned in the foregoing Article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that<br>behalf as determined by the Company in General Meeting, being working days other than Saturdays. |

**WINDING UP**

| Title of Article | Article Number and Contents |
|---|---|
| Winding up of the company | 244.<br>Subject to the applicable provisions of the Act and the Rules made thereunder:<br>(a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.<br>(b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.<br>(c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability. |
| Directors and others right to indemnity | 245.<br>(a) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.<br>(b) Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.<br>(c) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably. |



SAH POLYMERS LTD. UDAIPUR

| Title of Article | Article Number and Contents |
|---|---|
| Director, officer not responsible for acts of others | 246.<br>Subject to the provisions of Section 197 of the Act no Director, director, managing director, whole-time director, manager, company secretary, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any monies, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty. |

**SECRECY CLAUSE**

| Title of Article | Article Number and Contents |
|---|---|
| Secrecy Clause | 247.<br>Every Director/Manager, Secretary, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or any other person employed in the business of the Company shall, if so required by the Board of Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained. |
| No Member to enter the premises of the Company without permission | 248.<br>No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose. |

**GENERAL POWER**

| Title of Article | Article Number and Contents |
|---|---|
| General Power | 249.<br>Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided. |



SAH POLYMERS LTD. UDAIPUR

| Sl. No. | Signatures, Names, Addresses Descriptions and Occupations of Members | Signatures, Names, Address, Descriptions and Occupation of Witness |
|---|---|---|
| 1. | Sd/-<br>Dilsad Dawood<br>S/o Abdu Ali Dawood<br>3/1, Bapuraoji ki Bari, Udaipur<br>HOUSEHOLD | |
| 2. | Sd/-<br>Hasin Ali Dawood<br>S/o Abdu Ali Dawood<br>3/1, Bapuraoji ki Bari, Udaipur<br>HOUSEHOLD | |
| 3. | Sd/-<br>Shabbir Hussain Dawood<br>S/o Mohd. Hussain Dawood<br>3/1, Bapuraoji ki Bari, Udaipur<br>HOUSEHOLD | |
| 4. | Sd/-<br>Manawwar Hussain Dawood<br>S/o Abdul Ali Dawood<br>3/1, Bapuraoji ki Bari, Udaipur<br>HOUSEHOLD | |
| 5. | Sd/-<br>Rashida Dawood<br>W/o Ismail Hussain<br>Opp. Park Hotel, Saheli Marg, Udaipur<br>BUSINESS | Witness signature of all the shareholders<br>Sd/-<br>Ramesh Chandra Soni<br>S/o Shri Mohan Lal Soni<br>29, Chhota Pratap Nagar Extn.<br>Bhan Mandi, Udaipur<br>CHARTERED ACCOUNTANT |
| 6. | Sd/-<br>Zubeda Dawood<br>W/o Manawar Hussain<br>3/1, Bapuraoji ki Bari, Udaipur<br>BUSINESS | |
| 7. | Sd/-<br>Begum Dawood<br>W/o Dilsad Ali<br>3/1, Bapuraoji ki Bari, Udaipur<br>BUSINESS | |

Date : 8-04-1992
Place : Udaipur

SAH POLYMERS LTD. UDAIPUR

Annexure-4

# Valuation Report

ON

## FAIR EQUITY SHARE EXCHANGE RATIO

**(STRICTLY PRIVATE AND CONFIDENTIAL)**

PURSUANT TO THE SCHEME OF AMALGAMATION OF

Fibcorp Polyweave Private Limited (Transferor Company)

With

Sah Polymers Limited (Transferee Company)

Prepared by

MAHESH MANDOWARA (IBBI Regd. Valuer-SFA)
Regn. Number: IBBI/RV/06/2020/13459
Contact: 9702799000
E-mail:-mmandowara@gmail.com

**Strictly Private & Confidential**

To,
Board of Directors,
Sah Polymers Limited/Fibcorp Polyweve Private Limited
E-260-261, Mewar Industrial Area,
Madri,
Udaipur-313003

Dear Sir/ Madam,

**Sub: Recommendation of Share Exchange Ratio for the proposed amalgamation of Fibcorp Polyweave Private Limited (FPPL) with and into Sah Polymers Limited (SPL)**

I refer to the engagement letters whereby, **Sah Polymers Limited ('SPL')/Fibcorp Polyweave Private Limited('FPPL')** , have engaged CA Mahesh Mandowara for recommendation of the Share Exchange Ratio for the proposed merger of **Fibcorp Polyweave Private Limited ('FPPL')** with and into SPL are together referred to as 'Companies'. CA Mahesh Mandowara has been hereafter referred to as 'Registered Valuer' or 'I' or 'me'.

**SCOPE AND PURPOSE OF THIS REPORT**

I understand that the management of the Companies ('Management') are contemplating merger of FPPL into SPL ('Transaction') pursuant to e Scheme of Merger ('Scheme') to be implemented under the provisions of section 230 to 232 and other applicable provisions of the Companies Act, 2013. In this regard, 1st April,2023 has been considered as the appointed date for the proposed Transaction. As a consideration for the merger, equity shareholders of FPPL would be issued equity shares of SPL. Share Exchange Ratio for this Report refers to the number of equity shares of face value of INR 10/- each of SPL, which would be issued to the shareholders of FPPL. Equity Shares held by SPL in FPPL will stand cancelled.

For the aforesaid purpose, the Client has engaged the Registered Valuer to submit report recommending share exchange ratio. The scope of my services is to conduct a relative (and not absolute) valuation of the equity shares of the Companies and recommending the Share Exchange Ratio in accordance with generally accepted professional standards.

**SOURCE OF INFORMATION**

My valuation analysis is undertaken based on the following information relating to the Business of the Company, furnished to me by the management of the Company and Information available in public domain.

I have been provided with the following documents/information by the Client:

a) Draft Scheme of Amalgamation u/s 230 to 232 and other applicable provisions of the Companies Act, 2013;



b) Audited financial statements of the Companies for the past 3 years as available in the public domain:
c) The projected income statements and balance sheets of FPPL;
d) Other relevant details regarding the Companies such as their history, their promoters, past and present activities, other relevant information and data including information in the public domain;
e) Such other information and explanations as I required and which have been provided by the management of the Companies.

**DATE OF VALUATION**

The valuation is done as of 30th June 2023. The Cut-off date for all the exercises is taken as 22nd September 2023.

**BACKGROUND**

SPL is a public listed company engaged in the business of marketing and manufacturing of the Flexible Intermediate bulk containers (FIBC), Flexible packaging and a DCA of the IOCL for their polymers business in respect of Udaipur region. The Company is in the business since 1998. The annual production capacity is 7200 MT.

**Share Holding Pattern as on 30th June 2023**

| Sr. No. | Class of Shareholders | No. of shares held | % of total shareholding |
|---|---|---|---|
| 1 | Promoter & Promoter Group | 15596000 | 60.46 |
| 2 | Public | 10200000 | 39.54 |
| | Total | 25796000 | 100.00 |

| Corporate Information | |
|---|---|
| CIN | U24201RJ1992PLC006657 |
| Registration Number | 006657 |
| Company Category | Company Limited by Shares |
| Company Sub Category | Non-Govt Company |
| Whether Listed or not | Listed |
| Class of Company | Public |
| Registered Address | E-260-261 MEWAR INDUSTRIAL AREA,MADRI UDAIPUR RJ 313003 IN |
| Company Status (for e-filing) | Active |

MAHESH MANDOWARA ☆ IBBI Reg. No. IBBI/RV/06/2020/13459 ☆ REGISTERED VALUER

**FPPL** is a private limited company engaged in the business of marketing and manufacturing of the Flexible Intermediate bulk containers (FIBC), Flexible packaging .The Company is in the business since 2017.

**Share Holding Pattern as on 30th June, 2023**

| Sr. No. | Class of Shareholders | No. of shares held | % of total shareholding |
|---|---|---|---|
| 1 | Promoter & Promoter Group | 33884 | 51.01 |
| 2 | Public | 32546 | 48.99 |
| | **Total** | **66430** | **100.00** |

| Corporate Information | |
|---|---|
| CIN | U17309RJ2017PTC058691 |
| Registration Number | 058691 |
| Company Category | Company Limited by Shares |
| Company Sub Category | Non-Govt Company |
| Whether Listed or not | unlisted |
| Class of Company | Private |
| Registered Address | E 260-261, MEWAR INDUSTRIAL AREA MADRI UDAIPUR Udaipur RJ 313003 IN |
| Company Status (for e-filing) | Active |



**EXCLUSIONS AND LIMITATIONS**

My report is subject to the scope limitations detailed in engagement letter dated 4th August 2023. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

No Investigation of the Companies' claims to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid.

No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

My work does not constitute certification of the historical financial statements including the working results of the Companies referred to in this report. Accordingly, I am unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.

Valuation analysis and results are specific to the purpose of valuation and the valuation date mentioned in report as per the agreed terms of the engagement. It may not be valid or used for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

A valuation of this nature involves consideration of various factors including those impacted by prevailing stock market trends in general and industry trends in particulars. This report is Issued on the understanding that the Client has drawn my attention to all the material information, which it is aware of concerning the financial position of the Company and any other matter, which have an impact on my opinion, on the fair value of shares of the Companies for the purpose of the proposed amalgamation, including any significant changes that have taken place or are likely to take place in the financial position of the Companies, after the report date. I have no responsibility to update this report for events and circumstances occurring after the date of the report.

During valuation, I was provided with both written and verbal information. I have evaluated the information provided to me by the Client through broad inquiry, analysis and review but have not carried a due diligence or audit of the information provided for the purpose of this engagement. I assume no responsibility for any errors in the above information furnished by the Client and consequential impact on the present exercise.

While valuation work has involved an analysis of financial information and accounting records, my engagement does not include an audit in accordance with generally accepted auditing standards of the client existing business records. Accordingly, I assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by and on behalf of the client.



Valuer is not responsible for arithmetical inaccuracies/logical inconsistencies of any financial model or business plan or other information / data provided by the Corporate Debtor /Liquidator and used in connection with this Report. Also, valuer has been given to understand that it has not omitted any relevant and material factors and that it has checked out relevance or materiality of any specific information to the present exercise with us in case of any doubt. Valuer assumes no responsibility for any errors in the information furnished and their impact on the present exercise

The valuation of companies and businesses is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value and I normally express my opinion on the value as falling within a likely range.

I am independent of the client/company and have no current or expected interest in the Company or its assets. The fee paid for my services in no way influenced the results of my analysis

my report is not, nor should it be construed as my opinion or certifying the compliance of the proposed amalgamation with the provisions of any law including companies, taxation and capital market laws or as regards any legal implications or issues arising from such proposed transaction. This report is prepared only in connection with the proposed amalgamation exclusively for the use of the Companies and for submission to any regulatory / statutory authority as may be required under the law. Valuer, nor its managers, employees, or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness, or completeness of the information, based on which the valuation is carried out. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the valuation.

The information contained herein, and my report is confidential. Any person/ party intending to provide finance / Invest in the shares/I businesses of any of the Companies, shall do so, after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an Informed decision. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed amalgamation as aforesaid, can be done only with my prior permission in writing.my report is meant for the purpose mentioned above and should not be used for any purpose other than the purpose mentioned therein



## APPROACH TO VALUATION ENGAGEMENT

In connection with this exercise, I have adopted the following procedures to carry out the valuation:

- Discussion with the Management to understand the business and fundamental factors that affect its earning-generating capability including strength, weaknesses, opportunity and threats analysis and historical financial performance.
- Analysis of information shared by the Management.
- Analysis of Information related to the Companies and its peers as available in public domain.
- Selection of appropriate internationally accepted valuation methodology/(ies) after deliberation
- Arriving at Valuation of Shares for the Proposed Transaction

## VALUATION MEHTODOLOGY

The Scheme contemplates the Merger of FPPL into SPL. Arriving at the valuation of Shares of SPL, would require determining value of the business of SPL. The valuation is to be determined independently but on a relative basis, and without considering the Proposed Transaction. There are several commonly used and accepted methods for determining the valuation, which have been considered in the present case, to the extent and applicable, including:

1. Market Approach:
2. Income Approach: Discounted Cash Flow Method.
3. Cost Approach: Net Asset Value Method.

As discussed below for the Proposed Transaction I have considered these methods, to the extent relevant and applicable. This valuation could fluctuate with passage of time, changes in prevailing market conditions and prospects, industry performance and general business and economic conditions financials and otherwise, of the Companies, and other factors which generally influence the valuation of the companies and their assets.

I have relied on the judgement of the Management as regards contingent and other liabilities. The application of any method of valuation depends on the purpose for which the valuation is done. Although, different values may exist for different purpose, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. My choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature, regulatory guideline and my reasonable Judgement, in an independent and bona fide manner based on my previous experience of assignments. The Valuation methodologies as may be applicable which have been used to arrive at the value attributable to the equity shareholders of SPL is discussed hereunder:

**Market Price (MP) Method:**

The market price of an equity share as quoted on a stock Entitlement is normally considered as the value of the equity shares of that company where such quotations are available from the shares being regularly and freely traded in, subject to the element of speculative support that may be Inbuilt in the value of the shares.

In terms of Regulation 164 (1) of Part IV of Chapter V of the SEBI ICDR Regulations, if the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

a) the 90 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date;
b) the 10 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date.

Since SPL is a listed Company and equity shares of SPL are traded on NSE and BSE over a reasonable period, I have considered Market Price method to determine the value of equity shares of SPL, I understand that shares are frequently traded as per SEBI ICDR regulations. I have been informed by the Management of SPL that the board meeting of SPL is proposed to be scheduled on 25th September 2023. Hence the relevant date as per the SEBI ICDR regulations read with the SEBI Circular, for the purpose of calculation of the price per share of SPL for the proposed preferential issue of shares is 25th September 2023. I have considered the stock prices of SPL from NSE for calculating the fair market value of equity shares of SPL considering the volumes traded on NSE is higher than that in BSE.

**Discounted Cash Flow (DCF) Method:**
The discounted cash flow method has also been used to value the equity of the companies. The discounted cash flow method is a modem valuation method which relates the value of an asset to the present value of the expected future cash flows on that assets. Under this method the value of the business has been determined by the formula:

$$\text{Value of Business} = \sum_{t=1}^{\infty} FCFFt/(1+WACC)t$$

The value of equity is the value of the firm minus the value of the firm's debt:

Where,
t = period 1 to n,
FCFF = Expected free cash flow to firm in period n,
WACC = Weighted Average Cost of Capital

The WACC of the FPPL has been calculated with a target Debt Equity ratio. The said target Debt Equity Ratio has been derived by averaging the Debt Equity Ratio of Industry Leaders. The terminal value has been estimated in the last year of forecast period and the present value of the same is added to present value of all the cash flows.

MAHESH MANDOWARA * IBBI Reg. No. IBBI/RV/06/2020/13459 * REGISTERED VALUER *

In my valuation model, I have considered EBITDA Multiple to arrive at the terminal value in case of FPPL. Terminal Value: EBIDTA for Final Projected Year X EV Multiple of Industry Peers. In case of Net Assets

Method, the value is determined by dividing the Net Assets of the Company by the number of shares. The underlying asset approach represents the value with reference to the historical cost of the assets owned by the Company and attached liabilities as at the valuation date. Since the shares are valued on a "going concern" basis and an actual realization of operating assets are not contemplated; I have considered it appropriate not to determine the realizable or replacement value of the assets. The operating assets have therefore been considered at their book values.

**RECOMMENDATION ON FAIR EXCHANGE RATIO**

The fair basis of merger of the Companies would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at, under each of the above approaches, for the purpose of recommending a ratio of exchange, it is necessary to arrive at a single value for the shares of each company.

It is however important to note that in doing so, I am not attempting to arrive at the absolute values of the shares of each Company. My exercise is to work out relative value of shares of the Companies to facilitate the determination of ratio of exchange. For this purpose, it is necessary to give appropriate weightage to the values arrived at under each approach.

Considering the fact that, after the merger, the business of SPL is intended to be continued on a "going concern" basis and that there is no Intention to dispose-off the assets, further coupled with the fact that SPL being a listed entity, Market Approach is being considered appropriate. In case of FPPL Income Approach is being considered appropriate and Cost Approach and market approach are not being considered appropriate for the valuation purpose.

| Valuation approach | SPL | | FPPL | |
|---|---|---|---|---|
| | Value per share | Weightage | Value per share | Weightage |
| Asset Approach - NAV Method* | NA | NA | NA | NA |
| Income Approach- DCF Method** | NA | NA | 5236 | 100% |
| Market Approach | 105.97 | 100% | NA | NA |
| Relative Value Per Share | 105.97 | | 5236 | |
| Fair Exchange Ratio (rounded off) | 494/10 | | | |

*Both the companies are assumed to continue business on "going concern basis", and there being no intention to dispose off the assets, therefore, I have not considered Asset Approach Method for the said transaction.

**Business plan of SPL could not be provided by the Management of the Company being a forward price sensitive information, hence did not consider Income Approach Method for SPL valuation.



MAHESHWARI MANDOWARA
IBBI Reg. No. IBBI/RV/06/2020/13459
REGISTERED VALUER

**RATIO:**

494 equity share of SPL of Rs. 10 each fully paid up for every 10 equity shares of FPPL of Rs. 100/- each fully paid up. The share exchange ratio has been arrived based on a relative valuation of the shares of the Companies based on the various methodologies explained herein earlier and various qualitative factors relevant to each of the company and the business dynamics and growth potential of the businesses of the Companies, having regard to information base, management representations and perceptions, key underlying assumptions, and limitations.

In the ultimate analysis, valuation will have to involve the exercise of Judicious discretion and judgement considering all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments etc. which are not evident from the face of the balance sheets, but which will strongly Influence the worth of a share. This concept is also recognized in various Judicial decisions.

**FAIR EXCHANGE RATIO FOR MERGER OF FPPL into SPL**

In the light of the above and on a consideration of all the relevant factors and circumstances as discussed, and outlined hereinabove referred to earlier in this report, In my opinion, a fair ratio of exchange in the event of merger of FPPL into SPL would be: 494 equity share of SPL of Rs. 10 each fully paid up for every 10 equity shares of FPPL of Rs. 100 each fully paid up.

**Sincerely Yours,**




**Mahesh Mandowara**

**Registered Valuer-SFA**

**Regn. Number: IBBI/RV/06/2020/13459**

**UDIN: 23408134BGQPTM4019**

**Date: 25th September 2023**

# ADDENDUM TO VALUATION REPORT
# ON

## FAIR EQUITY SHARE EXCHANGE RATIO

PURSUANT TO THE SCHEME OF AMALGAMATION OF Fibcorp Polyweave Private Limited (Transferor Company) With Sah Polymers Limited (Transferee Company)


Prepared by:

**MAHESH MANDOWARA,**
**Registered Valuer(SFA),**
**IBBI REGISTER NO. IBBI/RV/06/2020/13459**
95, H-Block, Sector-14, Udaipur – 313001
Phone – 9702799000
E-mail ID – mmandowara@gmail.com

## 1. APPOINTMENT

I refer to my Engagement letters dated 12th October , 2023 whereby M/s Sah Polymers Limited ("SPL") and Fibcorp Polyweave Private Limited ("FPPL) appointed CA Mahesh Mandowara, Chartered Accountant and Registered Valuer, as Independent valuer to issue addendum to valuation report issued earlier on 25th September 2023.

## 2. BACKGROUND

The registered valuer has issued valuation report on 25th September 2023 on fair equity exchange ratio pursuant to the scheme of amalgamation of Fibcorp Polyweave Private Limited (FPPL)with Sah Polymers Limited.

Pursuant to queries raised by NSE and BSE, the Company has appointed the Registered Valuer to issue the addendum to valuation report earlier issued on 25th September 2023

## 3. LIMITATION AND DISCLAIMERS:

This Report is subject to the scope of limitations detailed hereinafter:

3.1. The financial information about the Company presented in this report is included solely for the purpose to arrive at value conclusion presented in this report, and it should not be used by anyone to obtain credit or for any other unintended purpose Because of the Limited Purpose as mentioned in the report, it may be incomplete and may contain departures from generally accepted accounting principle prevailing in the country.

3.2. As such the Report is to be read in totality and not in parts.

3.3. The valuation is based on the information furnished to me being complete and accurate in all material respect.

3.4. I have relied on the written representations from the Management that the information contained in this report is materially accurate and complete in the manner of its portrayal and therefore forms a reliable basis for the valuation.

3.5. The information presented in this report does not reflect the outcome of any financial due diligence procedures. The reader is cautioned that the outcome of that process could change the information herein and, therefore, the valuation materially.

3.6. My scope of work does not enable me to accept responsibility for the accuracy and completeness of the information provided to us. I have, therefore, not performed any audit, review or examination of any of the historical or prospective information used and therefore, I do not express any opinion with regard to the same.

3.7. I have relied on the judgment made by the Management and, accordingly, the valuation does not consider the assumption of contingent liabilities materializing (other than those specified by the Management and the Auditors). If there were any omissions, inaccuracies or misrepresentations of the information provided by the Management, then this may have the effect on the valuation computations.

3.8. The Report is meant for the specific purpose mentioned herein and should not be

used for any purpose other than the purpose mentioned herein. The Report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared.

3.9. No investigation of the Company's claim to the title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. The report is not, nor should it be construed, as my opining or certifying the compliance with the provisions of any law including company and taxation laws or as regards any legal, accounting or taxation implications or issues.

3.10. The valuation is based on the market conditions and the regulatory environment that existed at the Valuation Date. However, changes to the same in the future could impact the companies and the industry they operate in, which may impact the valuation.

3.11. I have no obligation to update this Report because of events or transactions occurring subsequent to the date of this Report.

3.12. I have not carried out any physical verification of the assets and liabilities of the Company and take no responsibility for the identification of such assets and liabilities.

3.13. I have not considered any additional impairment on fixed assets other than that already considered by Management, if any.

3.14. This Report does not look into the business/commercial reasons behind the proposed transaction nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

3.15. Readers of this report should be aware that business valuation is based on future earnings potential that may or may not be materialized. The actual results may vary from the projections given, and the variations may be material, which may change the overall value.

3.16. I acknowledge that I have no present or contemplated financial interest in the Company. My fees for this valuation are based upon my normal billing rates, and not contingent upon the results or the value or any other manner. I have no responsibility to modify this report for events and circumstances occurring subsequent to the date of this report.

3.17. I have relied upon the representation contained in the public and other documents in my possession concerning the value and useful condition of all assets or liabilities except as specifically stated to contrary in this report.

3.18. I have not attempted to confirm whether or not all assets of the business are free and clear of liens and encumbrances, or that the owner has good title to all the assets.

3.19. I have been informed by the management that there are no environmental or toxic contamination problems, any significant lawsuits, or any other undisclosed contingent liabilities which may potentially affect the Business, except as may be disclosed elsewhere in the report. I have assumed that no cost or expenses will be incurred in connection with such liabilities, except as explicitly stated in this report.

## 4. Income Approach Method for SPL valuation –

Pursuant to queries raised by NSE and BSE after filing of amalgamation scheme and data provided by the SPL afterwards, the Income approach method for Valuation of SPL has been discussed in the following paras

The Income Approach indicates the value of a business based on the value of the cash flows that a business is expected to generate in future. This approach is appropriate in most going concern situations as the worth of a business is generally a function of its ability to earn income/cash flow and to provide an appropriate return on investment.

Some of the common valuation methods under income approach are as follows:

(a) Discounted Cash Flow (DCF) Method;

(b) Relief from Royalty (RFR) Method:

(c) Multi-Period Excess Earnings Method (MEEM):

(d) With and Without Method (WWM); and

(e) Option pricing models such as Black-Scholes-Merton formula or binomial (lattice) model.

Under income approach. Discounted Cash Flow (DCF) method is a commonly used methodology. P wherein present value of future expected economic benefits of an enterprise over life of the enterprise is estimated by using a discount rate based on their riskiness. For a going concern, life of the enterprise is typically assumed to be till perpetuity. Hence, cash flows beyond a discreet period are captured using a terminal value.

## 5. Discounted Cash Flow (DCF) Method –

DCF method uses future free cash flow projection and discounts them to arrive at a present value. It is widely used in investment finance, real estate development, corporate financial management and patent valuation. Under DCF, free cash flow to firm or free cash flow to Equity approach is used to arrive at a valuation of company.

Free cash flow to firm (FCFF): This indicates the fair value of the firm based on the value of the cash flows the business is expected to generate in the future. All future cash flows are estimated and discounted using cost of capital to give their present values. This is a measurement of the company's profitability after all expenses and reinvestment. It's the one of the benchmark s used to compare and analyses financial health.

Free cash flow to equity (FCFE): This indicates the fair value of the equity based on the -

value of the cash flows the business is expected to generate in the future. The method involves the estimation of post-tax cash flow to equity for a projection period after consideration of reinvestment in the terms of capital expenditure, incremental working capital and debt repayment. These cash flows are then discounted at cost of equity that reflects the risk of business.

TIME FRAME OF CASH FLOWS

A problem faced in valuing a business is its indefinite life, especially where the valuation is on a going concern basis. This problem could be tackled by separating the value of the business into two time periods viz. explicit forecast period (Primary period) and post explicit forecast period (terminal period). In such a case, the value of business will be value of free cash flows generated during the explicit forecast period and value of free cash flows generated during the post explicit forecast period. While projected free cash flows of the explicit forecast period can be prepared meticulously based on the business plan, the free cash flows of the post explicit forecast period could be estimated using an appropriate method.

In the present case, I have been provided with the projected working results for the next 5 years starting from 1st April. 2023 and ending 31st March 2029.

APPROPRIATE DISCOUNTING RATE

Under the DCF method the time value of money is recognized by applying a discount rate to the future free cash flows to arrive at their present value. This discount rate which is applied to the free cash flows should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company/business. This is commonly referred to as the weighted average cost of capital (WACC). The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk. I have considered the WACC as discounting factor in DCF Valuation as the company in the future will be utilizing both debt and equity.

As regards the cost of equity, due regard must be given to the risk-free rate of return (Yield) available to investors, which is presently around 7.09% of 10-year Government of India Bonds as on the date of valuation, and the risk premium demanded by equity investors in stock markets historically has been around 4%-10% in India. Accordingly, the basic minimum return expected by equity investors company generally is considered at 10% - 20%. Apart from these factors it is also important to consider the industry and company specific risk factors. Keeping in view the various factors like non marketability

of the shares on stock exchanges and restriction on the transferability of these shares (i.e. Liquidity), the cost of equity has been computed and the total expected return or cost of equity as on the date of valuation is 12.39%. Refer Annexure A for the computation of Cost of Equity.

It is difficult to assume exact timing of cash inflows and outflows during a year. Hence in calculating the discounting factor, it is assumed that on average the cash flows accrue at the end of the financial year.

**Sah Polymers Limited**

**Fair Value via Free Cash Flow to Firm as at 30th June 2023** (Rs in Lacs)

| Particulars | 30-Jun-23 | 31-Mar-24 | 31-Mar-25 | 31-Mar-26 | 31-Mar-27 | 31-Mar-28 | 31-Mar-29 | Perpetuity |
|---|---|---|---|---|---|---|---|---|
| **PBT** | **127** | **840** | **934** | **951** | **994** | **1,014** | **1,038** | |
| Less: Tax Expense | - | 138 | 174 | 188 | 209 | 209 | 220 | |
| **NOPAT** | **127** | **701** | **760** | **763** | **785** | **805** | **818** | |
| Add: Depreciation | 52 | 189 | 189 | 189 | 189 | 189 | 189 | |
| **Free Cash Flow** | **179** | **891** | **949** | **952** | **974** | **994** | **1,007** | |
| Add/(Less): Change in Working Cap | - | (828) | (291) | (141) | (245) | (546) | (699) | |
| Add/(Less): Capital Expenditure | - | - | - | - | - | - | - | |
| **FCFF** | **179** | **63** | **658** | **811** | **730** | **448** | **308** | **321** |
| Discount Rate | 11.92% | 11.92% | 11.92% | 11.92% | 11.92% | 11.92% | 11.92% | 11.92% |
| Discount Factor | 0.87 | 0.89 | 0.80 | 0.71 | 0.64 | 0.57 | 0.51 | 0.51 |
| **Present Value of FCFF** | **155** | **56** | **525** | **578** | **465** | **255** | **157** | **163** |

| | | |
|---|---|---|
| Present Value - Explicit Period | 2,037 | |
| Terminal Value | 2,059 | |
| **Enterprise Value** | **4,096** | Perpetual Growth Rate 4% |
| Less: Debt | 2,422 | |
| Add: Cash | 2,177 | |
| Less: Related Party Loan | - | |
| **Net Free Cash flow to** | | |

MAHESH MANDOWARA REGISTERED VALUER IBBI Reg. No. IBBI/RV/06/2020/13459

| | |
|---|---|
| **Equity** | **3,851** |
| Divide By: No. of ES | 2,57,96,000 |
| **Value Per Share (Rs.)** | **14.93** |

## 6. Cost Approach: Net Asset Value Method –

Pursuant to queries raised by NSE and BSE after filing of amalgamation scheme, the Net Asset Value has been discussed as below:

NAV method uses book value of the assets as at the valuation date. Further adjustments in NAV is required for market value of major assets to calculate the adjusted NAV. Adjusted NAV has been calculated based on the audited balance sheet as at 30th June 2023 as provided by the management of the Companies.

| SAH POLYMERS LIMITED<br>Calculation of Net Asset Value<br>Based on Audited Balance Sheet as on 30th June 2023 | | |
|---|---|---|
| **Particulars** | **Rs in Lacs** | **Rs in Lacs** |
| Share Capital | 2579.60 | |
| Add : Reserve & Surplus | 5872.68 | |
| **NET ASSET VALUE** | | **8452.28** |
| Add:- Adustments | | 0 |
| **ADJUSTED NET ASSET VALUE** | | **8452.28** |
| No. of Equity Shares(Face Value@10) | | 2,57,96,000 |
| **NAV Per Share (Rs.) Approx** | | **32.77** |

| Fibcorp Polyweave Private Limited<br>Calculation of Net Asset Value<br>Based on Audited Balance Sheet as on 30th June 2023 | | |
|---|---|---|
| **Particulars** | **Rs in Lacs** | **Rs in Lacs** |
| Share Capital | 66.43 | |

| | | |
|---|---|---|
| Add : Reserve & Surplus | 555.94 | |
| **NET ASSET VALUE** | | **622.37** |
| Add:- Adustments | | 0 |
| **ADJUSTED NET ASSET VALUE** | | **622.37** |
| No. of Equity Shares(Face Value@10) | | 66430 |
| **NAV Per Share (Rs.) Approx** | | **936.87** |

However, both the companies are assumed to continue business on "going concern basis", and there being no intention to dispose off the assets, therefore, I have not given any weightage of Asset Approach Method for the said transaction.

## 7. VALUATION DATE

The Valuation is done as of 30th June 2023.

## 8. VALUATION STANDARDS

The Report has been prepared in accordance with the Valuation Standards issued by ICAI and adopted by ICAI Registered Valuers Organisation.

## 9. CONCLUSION–

Based on the above , the value per share of SPL as per as per the Income approach works out to Rs 14.93 per share as at 30th June 2023. However, attention may also be drawn to Regulation 158 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulation") which specifies that preferential issue of equity shares to shareholders of an unlisted entity pursuant to a National Company Law Tribunal approved scheme shall conform with the pricing provisions of preferential issue specified under Regulation 164 of the said regulations. Further, it may be noted that Regulation 164 specifies the base price for issue of shares on a preferential basis. In the Proposed Amalgamation unlisted entity FPPL is amalgamating with SPL, a listed entity. We have therefore, given due cognizance to the base price derived using the formula prescribed under ICDR Regulations after considering the fair value of SPL while determining the swap ratio. Hence there is no impact on swap ratio determined earlier in the Valuation report dated 25th September 2023. Swap ratio has been reproduced herein below:

| Valuation approach | SPL | | FPPL | |
|---|---|---|---|---|
| | Value per share | Weightage | Value per share | Weightage |
| Asset Approach - NAV Method | 32.77 | NA | 936.87 | NA |
| Income Approach- DCF Method | 14.93 | NA | 5236 | 100% |
| Market Approach | 105.97 | 100% | NA | NA |
| Relative Value Per Share | 105.97 | | 5236 | |
| Fair Exchange Ratio (rounded off) | 494/10 | | | |

494 equity share of SPL of Rs. 10 each fully paid up for every 10 equity shares of FPPL of Rs. 100 each fully paid up

## 10. SOURCES OF INFORMATION

The Analysis is based on review of the business plan of the company provided by the Management and information relating to the sector as available in the public domain. Specifically, the Sources of information include:

10.1. Discussion with the Management
10.2. Audited financial statements of SLP and FPPL as at 30th June 2023
10.3. Financial Projections for 6 years from 1st April 2023 to 31st March 2029.

In addition to the above, I have also obtained such other information and explanation which were considered relevant for the purpose of the Analysis.

## 11. CAVEATS

Provision of valuation recommendation and consideration of the issue described herein are of my regular corporate advisory practice. The Service do not represent accounting, assurance, financial due diligence review, consulting, transfer pricing or domestic/ international tax-related services that may otherwise be provided by me.

My review of the affairs of the Company and their books and accounts does not constitute an audit in accordance with Auditing Standards.

I have relied on explanations and information provided by the Management of the Company and accepted the information provided to me as accurate and complete in all respects. Although, I have reviewed such data for consistency and reasonableness, I have not independently investigated or otherwise verified the data provided.

Nothing has come to my attention to indicate the information provided had material mis-statements or would not afford reasonable ground upon which to base the Report.

The report is based on the audited financials provided to me by the management of the company and thus the responsibility of assumption on which they are based is solely that of the Management of the Company.

The valuation worksheet prepared for the exercise is property of the CA Mahesh Mandowara, Register Valuer and cannot be shared. Any clarification on the working will be provided on request, prior to finalizing the Report, as per the terms of my engagement.

The scope of our work has been limited both in terms of the area of the business and operations which we have reviewed and the extent to which we have received them. The valuation Analysis contained herein is represent the value on the date is specifically stated in this Report. This report is issued on the understanding that the Management of the Company has drawn my attention to all matters of which they are aware, which may have an impact on my Report up to the date of signature. I have no responsibility to update this report for event and circumstances occurring after the date of this report.

I have no present or planned future interest in the Company and the fee for this Report is not contingent upon the values reported herein.



## 12. DISTRIBUTION OF REPORT –

The Analysis is confidential and has been prepared exclusively for M/s Sah Polymers Limited. It should not be used, reproduced or circulated to any other person or for any purpose **other than as mentioned above**, in whole or in part, without the prior written consent of the CA Mahesh Mandowara, Registered Valuer. Such Consent will only be given after full consideration of the circumstances at the time.




**CA Mahesh Mandowara**
**Registered Valuer**
**IBBI Registration No.**
**UDIN: 23408134BGQPUH8201**
**Place: Udaipur**
**Date: 18th October 2023**

Annexure 1

**Computation of Cost of Equity using Capital Asset Pricing Model**

| Particulars | | Rate |
|---|---|---|
| **Risk Free Rate (10-Year Government Bonds)** | | **7.09%** |
| ***Add:* Beta Adjusted Equity Risk Premium** | | **1.30%** |
| Market Equity Risk Premium | 8.65% | |
| Beta | 0.15 | |
| ***Add:* Specific Company Risk Adjustment** | | **4.00%** |
| **Cost of Equity** | | **12.39%** |

**Computation of Market Equity Risk Premium**

| Dates | Apr-79 | Jun-23 |
|---|---|---|
| Sensex | (100.00) | 64,718.56 |
| Market Return | | 15.74% |
| Risk Free Rate | | 7.09% |
| **Market Equity Risk Premium** | | **8.65%** |

*Source: www.bseindia.com*

**Computation of Risk Free Rate**

| Particulars | Rate |
|---|---|
| 10-Year Government Bonds | 7.09% |

**Computation of Company Specific Risk Premium**

| Particulars | Rate |
|---|---|
| Unsystematic Risk | 4.00% |
| **Total** | **4.00%** |

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Annexure-5

**Date: September 25, 2023**

**To,**
**The Board of Directors,**
**Fibcorp Polyweave Private Limited**
**E-260-261, Mewar Industrial Area,**
**Madri, Udaipur, Rajasthan – 313003**

**To,**
**The Board of Directors,**
**SAH Polymers Limited**
**E-260-261, Mewar Industrial Area,**
**Madri, Udaipur, Rajasthan - 313003**

**Dear Sir/Ma'am,**

**Subject: Fairness opinion on the fair share exchange ratio for the proposed amalgamation of Fibcorp Polyweave Private Limited with and into SAH Polymers Limited**

We refer to our discussion undertaken with the Management of SAH Polymers Limited *(hereinafter referred to as "SAH Polymers" or "Transferee Company")* wherein the Management of SAH Polymers has appointed Kunvarji Finstock Private Limited, a Category I Merchant Banker registered with SEBI having Registration Number – INM000012564 *(hereinafter referred to as "Kunvarji" or "We" or "Us" or "Our")* vide engagement letter dated September 15, 2023 to provide a fairness opinion on the share exchange ratio for the proposed Amalgamation of Fibcorp Polyweave Private Limited *(hereinafter referred to as "FPPL" or "Transferor Company")* with and into SAH Polymers with effect from the Appointed Date as defined in the Scheme *(hereinafter referred to as the "Proposed Amalgamation" or "Proposed Transaction")* recommended by CA Mahesh Mandowara, Registered Valuer – Securities or Financial Assets *(hereinafter referred to as the "Independent Valuer")* vide report dated September 25, 2023.

*Hereinafter the Management including the Board of Directors of SAH Polymers and FPPL shall collectively be referred to as the "Management"; Transferor Company and Transferee Company shall collectively be referred to as "Transacting Companies".*

Please find enclosed our deliverables in the form of a report *(the "Report")*. This Report sets out the transaction overview, scope of work, background of the Transacting Companies, sources of information and our opinion on the share exchange ratio for the aforesaid proposed amalgamation recommended by the Independent Valuer.

KUNVARJI FINSTOCK PVT. LTD.



**Kunvarji Finstock Pvt. Ltd.**
Registered Office: Kunvarji, B - Wing, Siddhivinayak Towers, Off. S.G. Road, Makarba, Ahmedabad - 380 051. Phone:+91 79 6666 9000 | mb@kunvarji.com
Corporate Office : "1208-20, 12th Floor, Summit Business Bay, Opp. PVR Cinema, Near Western Express Highway – Metro Station, Andheri (E), Mumbai, Maharashtra - 400093.
CIN - U6[illegible]GJ1986PTC008979
www.kunvarji.com

This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

This Report has been issued only to facilitate the Proposed Amalgamation and should not be used for any other purpose.

**For, Kunvarji Finstock Private Limited**

KUNVARJI FINSTOCK PVT. LTD.

**Mr. Atul Chokshi**
**Director (DIN: 00929553)**

**Place: Ahmedabad**



**Kunvarji Finstock Pvt. Ltd.**
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CIN - U6[illegible]J1986PTC008979

# FAIRNESS OPINION

## IN THE MATTER OF SCHEME OF AMALGAMATION

## IN THE NATURE OF

## PROPOSED AMALGAMATION OF

## FIBCORP POLYWEAVE PRIVATE LIMITED

## WITH AND INTO SAH POLYMERS LIMITED

***STRICTLY PRIVATE AND CONFIDENTIAL***

**By**

KUNVARJI
Driven By Knowledge

**Kunvarji Finstock Private Limited**

**SEBI Registered Category I Merchant Banker**

**(Registration Number – INM000012564)**

Kunvarji, B-Wing, Siddhivinayak Towers, Nr. D.A.V. School,

Off. S. G. Road, Makarba, Ahmedabad-380051



Kunvarji Finstock Pvt. Ltd.
Registered Office : Kunvarji, B - Wing, Siddhivinayak Towers, Off. S.G. Road, Makarba, Ahmedabad - 380 051. Phone:+91 79 6666 9000 | mb@kunvarji.com
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CIN - U6[illegible]GJ1986PTC008979

## 1. BACKGROUND OF THE TRANSACTING COMPANIES

❖ **Fibcorp Polyweave Private Limited**

Fibcorp Polyweave Private Limited is a private limited company bearing CIN U17309RJ2017PTC058691and was incorporated on July 31, 2017 under the Companies Act, 2013. The registered office of the Company is at E-260-261, Mewar Industrial Area, Madri, Udaipur, Rajasthan - 313003.

FPPL is engaged in the business of manufacturing of Flexible Intermediate Bulk containers (FIBC), HDPE/PP fabrics and sacks etc.

The equity shareholding pattern of FPPL as on the date of this report is as under:

| Sr. No. | Name of the Shareholder | No. of shares held (FV – INR 100 each) | Shareholding (%) |
|---|---|---|---|
| 1 | Murtaza Ali Moti | 28,046 | 42.22% |
| 2 | Fatima Moti | 4,500 | 6.77% |
| 3 | SAH Polymers Limited | 33,884 | 51.01% |
| | **Total** | **66,430** | **100.00%** |

SAH Polymers holds 33,884 equity shares of INR 100/- each, fully paid-up, representing about 51.01% of the total paid-up share capital of the Transferor Company.

*Note: We understand that upon the Scheme being effective, the equity shares of FPPL held by SAH Polymers shall stand cancelled and no shares shall be issued to that extent.*

❖ **SAH Polymers Limited**

SAH Polymers Limited is a public limited company bearing CIN U24201RJ1992PLC006657 and was incorporated on April 20, 1992 under the Companies Act, 1956. The registered office of the Company is E-260-261, Mewar Industrial Area, Madri, Udaipur, Rajasthan, 313003.



Kunvarji Finstock Pvt. Ltd.
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CIN - U65910GJ1986PTC008979

SAH Polymers is engaged in manufacturing and selling of Polypropylene (PP)/ High Density Polyethylene (HDPE) FIBC Bags, Woven Sacks, HDPE/PP woven fabrics, woven polymer based products of different weight, sizes and colours as per customers specification. The Transferee Company offers vide range of bags of different sizes for varied applications. The Transferee Company is a Del Credere Associate cum Consignment Stockist (DCA/ CS) of Indian Oil Corporation Limited and also operates as Dealer Operated Polymer Warehouse (DOPW) of Indian Oil Corporation Limited for their polymer division.business of Machine Tools, Air Engineering and Textile Machinery.

The equity shares of SAH Polymers are listed on the BSE Limited and National Stock Exchange of India Limited.

The summary of the equity shareholding pattern of SAH Polymers as on the date of this report is as under:

| Sr. No. | Category of the Shareholder | No. of shares held (FV – INR 10 each) | Shareholding (%) |
|---|---|---|---|
| 1 | Promoter & Promoter Group | 1,55,96,000 | 60.46% |
| 2 | Public | 1,02,00,000 | 39.54% |
| | **Total** | **2,57,96,000** | **100.00%** |

## 2. TRANSACTION OVERVIEW, RATIONALE OF THE SCHEME & SCOPE OF SERVICES

### ❖ Transaction Overview

We understand that the Management of the Transacting Companies are contemplating a scheme of amalgamation, wherein they intend to merge FPPL with and into SAH Polymers in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 with effect from the Appointed Date and in a manner provided in the draft scheme of amalgamation *(hereinafter referred to as 'the Scheme')*.

As consideration for the proposed amalgamation, equity shareholders of FPPL would be issued equity shares of SAH Polymers to be issued for the aforesaid proposed amalgamation will be based on the share exchange ratio as determined by the Board of



Kunvarji Finstock Pvt. Ltd.
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CIN - U65[illegible]1986PTC008979

Directors based on the share exchange ratio report prepared by the Independent Valuer appointed by them.

Further, as a part of the Scheme, the entire shareholding of the Transferee Company in the Transferor Company shall stand cancelled.

❖ **Rationale of the Scheme**

The rationale of the proposed amalgamation as mentioned in the scheme and confirmed by the Management is to improve economies of scale of the consolidated entity's operational efficiency, simplification of the shareholding structure and reduction of shareholding tiers and thus the administrative cost, demonstration of promoter group's direct commitment to and engagement with the Transferee Company; greater focus of the management on the business and facilitate in creating enhanced value by allow a focused strategy in operations.

❖ **Scope of Services**

Pursuant to the requirements of SEBI Operational Circular SEBI/HO/DDHS/DDHS DIVI/P/CIR/2022/0000000103 dated July 29, 2022 updated as on December 01, 2022 and SEBI Master Circular SEBI/HO/CFD/DILI/CIR/P/2021/0000000665 dated November 23, 2021 and SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as amended from time to time, we have been requested by the Management to issue a fairness opinion in relation to the share exchange ratio for the proposed amalgamation.

In this regard, the Management has appointed Kunvarji Finstock Private Limited, a Category I Merchant Banker registered with SEBI having Registration Number – INM000012564 to provide a fairness opinion on the share exchange ratio for the proposed amalgamation recommended by the Independent Valuer vide report dated September 25, 2023.

Our scope of work only includes forming an opinion on the fairness of the recommendation of the Independent Valuer on the share exchange ratio arrived at for the Scheme and does not involve evaluating or opining on the fairness or economic rationale of the Scheme per se. This report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality and not in parts, in conjunction with the relevant documents referred to herein.



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Corporate Office : 1208-20, 12th Floor, Summit Business Bay, Opp. PVR Cinema, Near Western Express Highway – Metro Station, Andheri (E), Mumbai, Maharashtra - 400093.
CIN - U65910GJ1986PTC008979

## 3. SOURCES OF INFORMATION

We have relied on the following information made available to us by the Management / obtained from the public domain for this report:

- Unaudited/Limited Reviewed Financial Statements of the Transacting Companies for the three months period ended June 30, 2023;
- Audited Financial Statements of Transacting Companies for the financial year ended March 31, 2023 and March 31, 2022;
- Shareholding pattern of Transacting Companies as at the report date;
- Financial projections of FPPL comprising of Balance Sheet and Profit & Loss Statement and material assumptions for the period 1st July 2023 to 31st March 2024 and for the financial years 2024-25 to 2027-28;
- Signed share exchange ratio report issued and prepared by CA Mahesh Mandowara, Registered Valuer – Securities or Financial Assets vide report dated September 25, 2023;
- Copy of Draft Scheme of Amalgamation pursuant to which the proposed transaction is to be undertaken;
- Other relevant details of the Companies such as its history, past and present activities, future plans and prospects, and other relevant information; and
- Such other information, representations and explanations as required and provided by the Management.

The Management has been provided with the opportunity to review the draft fairness opinion report (excluding our fairness opinion on the share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/omissions are avoided.

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## 4. PROCEDURES ADOPTED

In connection with this exercise, we have adopted the following procedures to carry out the opinion:

- Discussion with the Management to understand the business and the fundamental factors that affect its earning generating capability of Transacting Companies including strength, weakness, opportunity and threat analysis and historical financial performance;
- Analysis of information shared by Management;
- Undertook Industry Analysis: Research publicly available market data including economic factors and industry trends that may impact the opinion;
- Requested and received financial and qualitative information and obtained data available in the public domain;
- Reviewed the draft scheme of amalgamation between the Transacting Companies pursuant to which the proposed transaction is to be undertaken;
- Reviewed the signed share exchange ratio report issued and prepared by CA Mahesh Mandowara, Registered Valuer – Securities or Financial Assets vide report dated September 25, 2023;
- Discussion with an Independent Valuer on such matters which we believed were necessary or appropriate for issuing this opinion.

## 5. LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

- The fairness opinion contained herein is not intended to represent a fairness opinion at any time other than the report date.
- We have no obligation to update this report. This Report, its contents and the results herein are specific to (i) the purpose of fairness opinion agreed upon as per the terms of our engagement; (ii) the Report Date; (iii) the draft scheme of amalgamation and (iv) other data detailed in the Section 3 of this report *"Sources of Information"*.

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- A fairness opinion of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

- The fairness opinion rendered in this Report only represents our opinion based upon information furnished by the Transacting Companies and gathered from the public domain (and analysis thereon) and the said opinion shall be considered to be in the nature of non-binding advice. Our fairness opinion should not be used for advising anybody to take a buy or sell decision for which specific opinion needs to be taken from expert advisors.

- We have not independently audited or otherwise verified the financial information provided to us. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from the Management, we have been given to understand by the Management that they have not omitted any relevant and material factors about the Transacting Companies and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the information given by/on behalf of the Transacting Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our fairness opinion.

- It is understood that this opinion is solely for the benefit of confidential use by the Board of Directors of the Companies to facilitate Companies to comply with SEBI Operational Circular SEBI/HO/DDHS/DDHS DIVI/P/CIR/2022/0000000103 dated July 29, 2022, updated as on December 01, 2022 and SEBI Master Circular SEBI/HO/CFD/DILI/CIR/P/2021/0000000665 dated November 23, 2021 and SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 as amended from time; disclosures to be made to relevant regulatory authorities including stock exchanges, SEBI, National Company Law Tribunal or as required under applicable law and it shall not be valid for any other purpose. This opinion is only intended for the aforementioned specific purpose and if it is used for any other purpose; we will not be liable for any consequences thereof.



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- The Report assumes that the Transacting Companies comply fully with relevant laws and regulations applicable in all its areas of operations, and that the Companies will be managed competently and responsibly. Further, this Report has not considered matters of a legal nature, including issues of legal title and compliance with local laws, litigation and other contingent liabilities that are not represented to us by the Management. Our fairness opinion assumes that the assets and liabilities of the companies, reflected in their respective balance sheet remain intact as of the Report date.

- The Report does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

- This fairness opinion is issued on the understanding that each of the Companies has drawn our attention to all the matters which may have an impact on our opinion including any significant changes that have taken place or are likely to take place in the financial position or businesses up to the date of approval of the Scheme by the Board of Directors. We have no responsibility to update this fairness opinion for events and circumstances occurring after this date.

- Certain terms of the proposed transaction are stated in our fairness opinion, however the detailed terms of the proposed transaction shall be more fully described and explained in the Scheme document to be submitted to relevant authorities in relation to the proposed transaction. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the Scheme document.

- The fee for the engagement is not contingent upon the results reported.

- We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Transacting Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on the part of the Companies, their directors, employees or agents.

- This report is not a substitute for the third party's due diligence/ appraisal/inquiries/ independent advice that the third party should undertake for his purpose.

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**Kunvarji Finstock Pvt. Ltd.**
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- This Report is subject to the laws of India.

- Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed scheme of amalgamation and filing it with relevant authorities, without our prior written consent.

- In addition, this report does not in any manner address the prices at which equity shares of SAH Polymers will trade following the announcement of the proposed transaction and we express no opinion or recommendation as to how the shareholders of Transacting companies should vote at any shareholders' meeting(s) to be held in connection with the proposed transaction. Our opinion contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.

- In the ordinary course of business, Kunvarji Finstock Private Limited and its affiliates are engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of Kunvarji Finstock Private Limited may at any time hold long or short positions, and may trade or otherwise effect transactions, for its account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Scheme.

## 5. OUR RECOMMENDATION

As stated in the share exchange ratio report dated September 25, 2023 prepared by CA Mahesh Mandowara, Registered Valuer – Securities or Financial Assets, he has recommended the following:

**To the equity shareholders of FPPL for the proposed amalgamation of FPPL with and into SAH Polymers:**

***"494 (Four Hundred Ninety Four) fully paid-up Equity Shares of INR 10 (Ten) each of the Transferee Company shall be issued and allotted for every 10 (Ten) fully paid-up equity share of INR 100 held in the Transferor Company".***



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The aforesaid proposed transaction shall be pursuant to the draft scheme of amalgamation and shall be subject to receipt of approval from the Hon'ble NCLT or such other competent authority as may be applicable and other statutory approvals as may be required. The detailed terms and conditions of the proposed transaction are more fully outlined in the draft scheme of amalgamation. Kunvarji has issued the fairness opinion with the understanding that the draft scheme of amalgamation shall not be materially altered and the parties hereto agree that the Fairness Opinion would not stand good in case the final scheme of amalgamation alters the proposed transaction.

Based on the information, and data made available to us, to the best of our knowledge and belief, the share exchange ratio as recommended by CA Mahesh Mandowara, Registered Valuer – Securities or Financial Assets in relation to the proposed draft scheme of amalgamation is ***fair*** to the equity shareholders of FPPL in our opinion.

**For, Kunvarji Finstock Private Limited**

KUNVARJI FINSTOCK PVT. LTD.

**Mr. Atul Chokshi**
**Director (DIN: 00929553)**

**Date: September 25, 2023**
**Place: Ahmedabad**



**Kunvarji Finstock Pvt. Ltd.**
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H R JAIN & Co
CHARTERED ACCOUNTANTS

Independent Auditor's Report on the accounting treatment in the proposed scheme of arrangement under Sections 230 to 232 of the Companies Act, 2013, relevant rules thereunder and SEBI Master circular SEBI/HO/CFD/POD-2/P/CIR/2023/93

**The Board of Directors,**
Sah Polymers Limited
E-260-261, Mewar Industrial Area,
Madri,
Udaipur-313003

1. This Report is issued in accordance with the terms of our service scope letter dated September 7,2023, with Sah Polymers Limited (hereinafter the "Company") pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onwards submission to the Bombay Stock Exchange (BSE), National Stock Exchange (NSE), Securities Exchange Board of India (SEBI), National Company Law Tribunal (NCLT) and other regulatory authorities in connection with the scheme of arrangement as mentioned in paragraph 2 below.

2. We, H R Jain & Co., Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the management of the Company, to examine the accounting treatment given in clause 13 of Part II of the accompanying proposed Scheme of Amalgamation between the Company and Fibcorp Polyweave Private Limited (the "Scheme" or "Proposed Scheme"), in terms of the provisions of sections 230 to 232 and all other applicable provisions of the Companies Act, 2013 ("the Act") and SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/ 2023 /93 dated June 20, 2023 ('SEBI Master Circular'), for compliance with the applicable accounting standards prescribed under section 133 of the Act, relevant rules thereunder and other generally accepted accounting principles in India (collectively referred to as 'applicable accounting standards'), read with General Circular No 09/2019 issued by the Ministry of Corporate Affairs dated August 21, 2019 (MCA Circular). The accounting treatment as prescribed in the Proposed Scheme has been included in Annexure which has been initialled by us for identification purposes only.

**Management's Responsibility**

3. The preparation of the Proposed Scheme is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other

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relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Proposed Scheme has been approved by the Board of Directors.

4. The management of the Company is also responsible for ensuring that the Company complies with the relevant laws and regulations, including the applicable accounting standards as aforesaid and circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also provides relevant information to the NCLT.

**Auditors' Responsibility**

5. Pursuant to the requirements of Section 230 of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and SEBI Master Circular, our responsibility is to provide reasonable assurance in the form of an opinion on whether the proposed accounting treatment as contained in the Annexure is in compliance with the applicable counting standards.

6. We audited the financial statements of the Company for the financial year ended March 31, 2023, on which we issued an unmodified audit opinion vide our reports dated May 18, 2023. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

7. We conducted our examination of the Annexure in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SOC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

9. Our scope of work did not involve us performing any audit tests in the context of our examination.

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We have not performed an audit, the objective of which would be to express an opinion on the specified elements, accounts or items thereof for the purpose of this report. Accordingly, we do not express such opinion. Further, our examination did not extend to any aspects of legal or propriety nature of the Scheme and other compliances thereof. Nothing contained in this report, nor anything said or done in the course of, or in connection with the services that are subject to this report, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

10. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the applicable criteria. Accordingly, our procedures included the following in relation to the Annexure:

a. Obtained and read the draft Scheme and the proposed accounting treatment specified therein.

b. Obtained copy of resolution passed by the Board of Directors of the Company dated September 25,2023 approving the Scheme.

c. Examined whether the proposed accounting treatment as per clause 13 of Part II of the Scheme is in compliance with the applicable Accounting Standards.

d. Performed necessary inquiries with the management and obtained necessary representations from the management.

**Opinion**

11. Based on our examination and according to the information and explanations given to us, read with paragraph 10 above, in our opinion, the proposed accounting as contained in the Annexure, is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and all the applicable accounting standards notified by the Central Government under section 133 of the Act read with relevant rules thereunder and other Generally Accepted Accounting Principles.

**Restriction on Use**

12. This report has been issued at the request of the Company and is addressed to and provided to the Board of Directors pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onwards submission to the BSE Limited (BSE), National Stock Exchange of India Limited (NSE) , SEBI and any other regulatory authority in connection with the Scheme, and should not be used for any other person or purpose or distributed to anyone or referred to in any document.

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Our examination relates to the matters specified in this report and does not extend to the Company as a whole. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

**For H R JAIN & CO.,**
**Chartered Accountants**
**Firm's Registration No. 000262C**




**Manoj Jain**
**Partner**
**Place of signature: Udaipur**
**Membership No.: 400459**
**Date: September 25, 2023**
**ICAI UDIN: 23400459BGUKFD3601**

**ANNEXURE:**

**EXTRACT OF SCHEME OF AMALGAMATION UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE SECTIONS OF THE COMPANIES ACT, 2013 BETWEEN FBCORP POLYWEAVE PRIVATE LIMITED ("TRANSFEROR COMPANY") SAH POLYMERS LIMITED ("TRANSFEREE COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS**

**13. ACCOUNTING TREATMENT**

Upon coming into effect of this Scheme, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of accounts in accordance with "**Pooling of Interest Method**" of accounting as laid down in IND AS 103 (Business Combinations) and relevant clarifications issued by Institute of Chartered Accountants of India (ICAI).

13.1. With effect from the Appointed Date, Transferee Company shall record the assets, liabilities and reserves (whether capital or revenue or arising on revaluation) of Transferor Company vested in it pursuant to this Scheme, at their respective book values thereof and in the same form as appearing in the books of Transferor Company at the close of the business of the day immediately preceding the Appointed Date, except to ensure uniformity in accounting policies as provided in Clause 13.4 below;

13.2. The value of the investments in the shares of Transferor Company as held by Transferee Company inter-se shall stand cancelled, without any further act or deed;

13.3. The inter-company loans, advances, deposits or other obligations between Transferor Company and Transferee Company, if any, will stand cancelled and there shall be no further obligation in that behalf;

13.4. Further, in case of any differences in accounting policy between Transferee Company and Transferor Company, the accounting policy followed by Transferee Company will prevail, and the differences shall be adjusted in Capital Reserves of Transferee Company, to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policy.

# AJAY PALIWAL & CO

CHARTERED ACCOUNTANTS

418, TEACHERS COLONY, AMBAMATA SCHEME, UDAIPUR- 313 001

TEL- 0294 2430466, E Mail-ajayhpaliwal@gmail.com


The Board of Directors,
Fibcorp Polyweave Private Limited,
E 260-261, Mewar Industrial Area,
Madri, Udaipur-313003.

On the basis of Books of Account, information and explanation provided by the management to us, this is to certify that the Accounting treatment proposed at clause no. 13 in the "Scheme of Amalgamation (Merger)" of FIBCORP POLYWEAVE PRIVATE LIMITED (Transferor Company) with and into SAH POLYMERS LIMITED (Transferee Company) is in accordance with the Accounting Standard notified by the Central Government as per Section 133 of the Companies Act, 2013 and rules made there under including any statutory modifications or re-enactment thereof from time to time.

This certificate is being issued on the request of the Management of the Company and intended only for the use of amalgamation of FIBCORP POLYWEAVE PRIVATE LIMITED (Transferor Company) with and into SAH POLYMERS LIMITED (Transferee Company).

For Ajay Paliwal & Co.
Chartered Accountants
ICAI Firm Registration No. 012345C

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

Ajay Paliwal
Proprietor
Membership No. 403290
Place: Udaipur
UDIN: 24403290BKHGDS6019
Date: 16.09.2024

H R JAIN & Co
CHARTERED ACCOUNTANTS

Private and confidential

September 25, 2023

The Board of Directors,
Sah Polymers Limited
E-260-261, Mewar Industrial Area
Madri, Udaipur-313003

**Practicing Chartered Accountant Certificate on proposed preferential allotment of equity shares to a select group of shareholders or shareholders of unlisted companies pursuant to draft scheme of amalgamation of Fibcorp Polyweave Private Limited ('Transferor Company') with Sah Polymers Limited ('Transferee Company') in terms of the provisions of sections 230 to 232 of the Companies Act, 2013 ('the Scheme'), pursuant to the Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ('SEBI (ICDR) Regulations 2018').**

1. This Certificate is issued in accordance with the terms of our engagement letter dated September 07 ,2023.

2. We have examined the accompanying statement of computation for arriving at the applicable minimum price per share ('the accompanying Statement') in compliance with the requirements of regulation 164(1) of Chapter V of SEBI (ICDR) Regulations 2018, for the proposed preferential issue of equity shares of the Transferee Company in connection to the Scheme approved by the Board of Directors (the 'Board') in its meeting held on September 25,2023.

**Management's responsibility**

3. The preparation of the accompanying Statement is the sole responsibility of the management of the Transferee Company including the creation and maintenance of all records supporting the contents of the Statement. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the accompanying Statement.

4. Management is also responsible for ensuring that the Company complies with the requirements of the SEBI (ICDR) Regulations, 2018 and the Companies Act, 2013 in relation to the proposed preferential allotment of equity shares and for providing all

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the information to the National Stock Exchange ('NSE') and Bombay Stock Exchange ('BSE').

**Auditor's responsibility**

5. Pursuant to the requirements, it is our responsibility to examine the accompanying Statement and report whether the accompanying Statement is prepared in compliance with the pricing requirements of regulation 164(1) of Chapter V of SEBI (ICDR) Regulations 2018.

6. In relation to paragraph 5 above, we have examined the following records and documents:

a) Draft scheme of amalgamation of Fibcorp Polyweave Private Limited ('Transferor Company') with Sah Polymers Limited ('Transferee Company') under section 230 to 232 of the Act.

b) Historical price data of equity shares of the Transferee Company extracted from NSE website.

7. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

**Opinion**

9. Based on our examination and according to the information, explanations and representations provided to us, we are of the opinion that, the accompanying Statement is prepared in compliance with the pricing requirements of regulation 164(1) of Chapter V of SEBI (ICDR) Regulations 2018.

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**Restriction on use**

10. This certificate is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the SEBI (ICDR) regulations, 2018 for onward submission to the NSE and BSE and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For H R JAIN & CO.,**
**Chartered Accountants**
**Firm's Registration No. 000262C**

**Manoj Jain**
**Partner**
**Place of signature: Udaipur**
**Membership No.: 400459**
**Date: September 25, 2023**
**ICAI UDIN: 23400459BGUKFE4921**

**Annexure containing details of pricing of proposed issue of equity shares pursuant to the requirement of Regulation 164(1) of Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements ) Regulations, 2018 (as amended) in accordance with proposed Scheme of Amalgamation amongst Fibcorp Polyweave Private Limited ('Transferor Company') and Sah Polymers Limited ('Transferee Company').**

Alternative 1 :-

The 90 trading days' volume weighted average price of the related equity shares quoted on the recognized stock exchange preceding the relevant date.

| Date | Volume (nos.) | Value (Rs.) |
|---|---|---|
| 22-Sep-23 | 41952 | 4106706.55 |
| 21-Sep-23 | 67640 | 6743730.6 |
| 20-Sep-23 | 229653 | 22701210.15 |
| 18-Sep-23 | 92829 | 9372996.4 |
| 15-Sep-23 | 58867 | 6094605.5 |
| 14-Sep-23 | 146386 | 15127644.7 |
| 13-Sep-23 | 176619 | 18591502.3 |
| 12-Sep-23 | 241788 | 26526617.45 |
| 11-Sep-23 | 170948 | 19441406.15 |
| 08-Sep-23 | 133541 | 15432776.15 |
| 07-Sep-23 | 189156 | 21747399.85 |
| 06-Sep-23 | 315872 | 36289830.55 |
| 05-Sep-23 | 222427 | 25441668.65 |
| 04-Sep-23 | 300868 | 35141863.65 |
| 01-Sep-23 | 274742 | 32133638.75 |
| 31-Aug-23 | 132454 | 15423077 |
| 30-Aug-23 | 122343 | 14489871.8 |
| 29-Aug-23 | 183542 | 21402207.1 |
| 28-Aug-23 | 153849 | 17969494.45 |
| 25-Aug-23 | 135840 | 15846355.1 |
| 24-Aug-23 | 145912 | 17090775.2 |
| 23-Aug-23 | 196123 | 22787075.9 |
| 22-Aug-23 | 199812 | 23107642.6 |
| 21-Aug-23 | 266761 | 30249283.8 |

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| | | |
|---|---|---|
| 18-Aug-23 | 243068 | 26748948 |
| 17-Aug-23 | 273043 | 29743321.75 |
| 16-Aug-23 | 141746 | 15122782.8 |
| 14-Aug-23 | 234566 | 24469185.85 |
| 11-Aug-23 | 207023 | 21488827.75 |
| 10-Aug-23 | 140454 | 14545050.8 |
| 09-Aug-23 | 106516 | 11016021.5 |
| 08-Aug-23 | 156321 | 16050106.8 |
| 07-Aug-23 | 301330 | 30925970.25 |
| 04-Aug-23 | 239820 | 23494719.7 |
| 03-Aug-23 | 239085 | 23393681.05 |
| 02-Aug-23 | 186219 | 18236240.8 |
| 01-Aug-23 | 150366 | 14798830.7 |
| 31-Jul-23 | 188438 | 18604281.8 |
| 28-Jul-23 | 140327 | 13910686.5 |
| 27-Jul-23 | 171348 | 17240330.95 |
| 26-Jul-23 | 181882 | 18314112.25 |
| 25-Jul-23 | 140279 | 14174309.1 |
| 24-Jul-23 | 205348 | 20342616.85 |
| 21-Jul-23 | 144587 | 14212906.05 |
| 20-Jul-23 | 133490 | 13143609.15 |
| 19-Jul-23 | 335693 | 32506128.35 |
| 18-Jul-23 | 146505 | 14252953 |
| 17-Jul-23 | 129724 | 12647412.95 |
| 14-Jul-23 | 114990 | 11089758 |
| 13-Jul-23 | 237758 | 22908152.95 |
| 12-Jul-23 | 125264 | 12462480.65 |
| 11-Jul-23 | 172014 | 16724829.9 |
| 10-Jul-23 | 190865 | 18468360.55 |
| 07-Jul-23 | 95197 | 9217496.6 |
| 06-Jul-23 | 85560 | 8277782.95 |
| 05-Jul-23 | 87175 | 8457748.35 |
| 04-Jul-23 | 106724 | 10521443.25 |
| 03-Jul-23 | 191684 | 19315821.75 |
| 30-Jun-23 | 407114 | 40529023.3 |

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: 97853 90875 : hrjainca@gmail.com

| | | |
|---|---|---|
| 28-Jun-23 | 208224 | 20347141.15 |
| 27-Jun-23 | 269740 | 26382922.55 |
| 26-Jun-23 | 272504 | 26114809.35 |
| 23-Jun-23 | 103622 | 9599960.95 |
| 22-Jun-23 | 169472 | 15690970.8 |
| 21-Jun-23 | 267425 | 24772287.35 |
| 20-Jun-23 | 145764 | 13138221.1 |
| 19-Jun-23 | 167370 | 14892247.3 |
| 16-Jun-23 | 146462 | 12892143.2 |
| 15-Jun-23 | 331705 | 29619049.75 |
| 14-Jun-23 | 263205 | 23032423.15 |
| 13-Jun-23 | 230236 | 20017363.35 |
| 12-Jun-23 | 97990 | 8599403.35 |
| 09-Jun-23 | 197137 | 17319016.3 |
| 08-Jun-23 | 183575 | 16459193.5 |
| 07-Jun-23 | 294212 | 26070582.5 |
| 06-Jun-23 | 171414 | 15128777.45 |
| 05-Jun-23 | 124735 | 11078565.75 |
| 02-Jun-23 | 139943 | 12419933.65 |
| 01-Jun-23 | 90000 | 8065386.6 |
| 31-May-23 | 110653 | 9905279.1 |
| 30-May-23 | 172914 | 15847341.8 |
| 29-May-23 | 152995 | 14265868.8 |
| 26-May-23 | 807338 | 74968629.35 |
| 25-May-23 | 101839 | 9038810 |
| 24-May-23 | 234260 | 20844821.6 |
| 23-May-23 | 700700 | 62156496.25 |
| 22-May-23 | 147015 | 12427475.65 |
| 19-May-23 | 217316 | 18421295.1 |
| 18-May-23 | 123546 | 10198297.1 |
| 17-May-23 | 114391 | 9231988.4 |
| **Total** | **17309149** | **1719562016** |
| | | |
| **Volume weighted Average price** | | **99.34** |

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**Alternative 2: -**

The 10 trading days' volume weighed average prices of the related equity shares quoted on National Stock Exchange Limited preceding the relevant date.:

| Date | Volume (nos.) | Value (Rs.) |
|---|---|---|
| 22-Sep-23 | 41952 | 4106706.55 |
| 21-Sep-23 | 67640 | 6743730.6 |
| 20-Sep-23 | 229653 | 22701210.15 |
| 18-Sep-23 | 92829 | 9372996.4 |
| 15-Sep-23 | 58867 | 6094605.5 |
| 14-Sep-23 | 146386 | 15127644.7 |
| 13-Sep-23 | 176619 | 18591502.3 |
| 12-Sep-23 | 241788 | 26526617.45 |
| 11-Sep-23 | 170948 | 19441406.15 |
| 08-Sep-23 | 133541 | 15432776.15 |
| | | |
| **Total** | **1360223** | **144139196** |
| | | |
| **Volume weighted Average price** | | **105.97** |

**Date of Board Meeting : September 25,2023**

**Relevant Date (Refer Note 1) : September 22,2023**

**90 trading days' volume weighted average price : Rs. 99.34**
**10 trading days' volume weighted average prices Rs. 105.97**

**Applicable minimum price for preferential allotment : Rs. 105.97**

Note 1: In terms of the SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, relevant date means the date of Board Meeting in which the Scheme is approved, i.e. September 25, 2023

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# SAH POLYMERS LIMITED

www.sahpolymers.com CIN : U24201RJ1992PLC006657

**REPORT OF THE AUDIT COMMITTEE OF SAH POLYMERS LIMITED ("COMPANY" OR "TRANSFEREE COMPANY") RECOMMENDING THE SCHEME OF AMALGAMATION BETWEEN THE COMPANY AND FIBCORP POLYWEAVE PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS**

This report is considered and approved by the Audit Committee of the Company ("Audit Committee") at its meeting held on September 25, 2023 at 10:00 A.M. at the registered office of the Company at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 where the following Audit Committee members were present:

Members present:

1. Mr. Ramesh Chandra Soni -Chairman
2. Mr. Nikhil Khanderao Raut- Member
3. Mr. Hakim Sadiq Ali Tidiwala -Member

Leave of Absence: All the Members were present.

Mr. Ramesh Chandra Soni, Chairman of the Audit Committee took the Chair.

**1. BACKGROUND**

1.1. The proposed scheme of amalgamation between the Company and Fibcorp Polyweave Private Limited ("Transferor Company ") and their respective shareholders ("Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ('the Act) read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and the relevant provisions of the Securities and Exchange Board of India ("SEBI") Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Circular") and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, has been placed before the Audit Committee at its meeting held on September 25, 2023 for the Audit Committee to consider recommending the said Scheme.

1.2. As per the SEBI Circular, the Audit Committee is required to adopt a report recommending the Scheme, taking into consideration inter alia, the valuation report, and commenting on the need for the Scheme, rationale for the Scheme, cost benefit analysis of the Scheme, impact of the scheme on the shareholders and synergies of business of the entities involved in the Scheme.

1.3. The Audit Committee has considered, reviewed and discussed the following in this respect.

(a) the draft Scheme which is duly initialled by Company Secretary of the Company for the purpose of identification.

(b) valuation report dated September 25 ,2023 issued by Mr. Mahesh Mandowara, an independent and registered valuer, in respect of the share exchange ratios set out under the Scheme;

(c) fairness opinion dated September 25 ,2023 issued by Kunvarji Finstock Private Limited, an independent and SEBI registered Category I merchant banker having SEBI reg. no.: INM000012564, providing opinion on the fairness of the share exchange ratios proposed in the valuation report.,

(d) draft certificate from the statutory auditor of the Company H R Jain & Co.,

(e) Undertaking given by the Company confirming that approval of majority of public shareholders as prescribed under Paragraph (A)(10)(b) of Part I of the SEBI Circular is not applicable to the Scheme along with certificate of the Statutory Auditors of the Company, certifying the said undertaking.

**2. PROPOSED SCHEME**

The Audit Committee has reviewed the draft Scheme and noted its salient features inter alia as set out below:

(a) amalgamation of Transferor Company with and into the Transferee Company on the effective date (as set out in the Scheme) and in accordance with Section 2(1B) of the Income-tax Act, 1961;

(b) the Appointed Date of the Scheme is April 1, 2023;

(c) upon the Scheme coming into effect and with effect from the Appointed Date, the Transferor Company together with all present and future assets and liabilities, shall stand transferred to and vest in the Transferee Company, as a going concern, and the Transferee Company will issue 494 (Four hundred ninety four) fully paid up equity shares of INR 10 (Rupee Ten) each of the Transferee Company to the equity shareholders of the Transferor Company (other than the Transferee Company in respect of its shareholding in Transferor Company) as on the record date for every 10 (Ten) fully paid up equity share of INR 100 (Indian Rupees Hundred) each held by such equity shareholders of the Transferor Company ;

(d) upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound-up;

(e) upon the Scheme coming into effect and with effect from the Appointed Date, the Transferee Company shall account for the amalgamation of Transferor Company with the Transferee Company in its books of account as per the 'Pooling Interest Method' in accordance with accounting principles as laid down in the Indian Accounting Standard 103 (Business Combinations), notified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015.

**3. NEED FOR THE AMALGAMATION AND RATIONALE FOR THE SCHEME**

The Audit Committee noted and agreed with the need for the amalgamation and rationale of the Scheme which is set out below:

3.1 The Transferor Company is a subsidiary of the Transferee Company and is under the management of the Transferee Company.

3.2 The Transferor Company and the Transferee Company are engaged in the business of manufacture and sale of Flexible Intermediate Bulk containers (FIBC), HDPE/PP fabrics and sacks etc. The amalgamation will ensure focused management in the combined entity thereby resulting in efficiency of management and maximizing value for the shareholders. Such restructuring will lead to simplification of group structure by eliminating multiple companies in similar business.

3.3 The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with the terms of this Scheme would enable both the Companies to realize benefits of greater synergies between their businesses, yield beneficial results and pool financial resources as well as managerial, technical, distribution and marketing resources of each other in the interest of maximizing value to their Shareholders and the Stakeholders.

**4. SYNERGIES OF BUSINESS OF THE ENTITIES INVOLVED IN THE SCHEME**

The Audit Committee noted that proposed Scheme would result in following Synergies:

a. **Operational integration and better facility utilisation**: The amalgamation in accordance with this Scheme will provide an opportunity for reduction of operational costs through transfer of intermediary products between the Companies, better order loads for the business through pooling of orders, synergies from sales and production planning across the businesses.

b. **Efficient raw material procurement and reduced procurement costs:** Synergy of operations will be achieved as a result of sustained availability of raw materials as well as reduced procurement costs for Transferor Company. The proposed amalgamation would ensure combined sourcing of raw materials such as HDPE, PP, pigments, Accessories etc. by both the Transferor Company and the Transferee Company, would result in reduction in overall procurement cost for the amalgamating Company. Besides, certain requirements of the Transferor Company such as Fabrics etc. could be directly met by the Transferee Company's production and procurement arms.

c. **Operational Efficiencies:** The amalgamation would result in synergy benefits arising out of single value chain thereby reducing costs and increasing operational efficiencies. Centralization of inventory, from raw material to finished goods and spares, may enable better efficiency, utilization and overall reduction in working capital. The proposed amalgamation would likely result in optimized power consumption, reduced costs, sharing of best practices, cross-functional learnings, better utilisation of common facilities and greater efficiency in debt and cash management.

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d. **Rationalization of Procurement & Logistics costs:** Consolidation and optimization of stockyards could significantly reduce logistics and distribution costs for both the Transferor Company and the Transferee Company.

e. **Enhancing Value in Marketing:** With an overlap in products across the Transferor Company and the Transferee Company, the combined entity would be better positioned to service customer needs. The Transferor Company could expand its existing core market using the strong distribution channel of the Transferee Company. Further, the Transferor Company could also have access to the Transferee Company's marketing capabilities. The Transferee Company would benefit from complementary product offerings of the Transferor Company, resulting in a strong presence across market segments. The proposed amalgamation will result in access to new markets and product offerings as well as increased export volumes.

f. **Improving Customer Satisfaction and Services:** The proposed amalgamation would make it easier to address needs of customers by providing them uniform product and service experience, on-time supplies, improved service levels thereby improving customer satisfaction. With common credit management, the customers are expected to benefit from the channel financing benefits from the combined entity.

g. **Improved safety, environment and sustainability practices:** Increased coverage of plant automation can be achieved across plants of the Transferor Company, by using the Transferee Company's information technology applications and systems.

h. Thus, the proposed amalgamation is beneficial, advantageous and not prejudicial to the interests of the shareholders, creditors and other stakeholders of the Transferor Company and the Transferee Company and is beneficial to the public at large.

**5. IMPACT OF THE SCHEME ON SHAREHOLDERS**

The Audit Committee noted that proposed Scheme would have following impact on shareholders:

5.1 For the Shareholders of the Transferee Company, the Scheme will result in economies of scale and consolidation of opportunities will improve profitability and enhance overall Shareholder value. This is particularly marked in the improved synergies that will arise pursuant to the Scheme. The impact of the Scheme on the Shareholders, including the Public Shareholders, would be the same in all respects and no Shareholder is expected to have any disproportionate advantage or disadvantage in any manner.

5.2 For the Shareholders of the Transferor Company, the Scheme will provide an opportunity to improve the economic value for the Shareholders. This is particularly marked in the improved synergies that will arise pursuant to the Scheme. Upon the Scheme becoming effective, the shareholders of the Transferor Company will be able to participate in the growth of the Transferee Company.

## 6. COST BENEFIT ANALYSIS OF THE SCHEME

The Audit Committee noted that proposed Scheme would have following cost benefits:

6.1. The Audit Committee noted that the Scheme will provide an opportunity to improve the economic value for the shareholders. This is particularly marked in the improved synergies that will arise pursuant to the Scheme. The proposed amalgamation will result in deriving benefits for future capacity expansion and funding of capital expenditure, given the strong credit rating of the Transferee Company. The Audit Committee further noted that while the Scheme would lead to incurring of some costs towards its implementation, however, the benefits other Scheme over a longer period would far outweigh such costs for the stakeholders of the Company.

## 7. RECOMMENDATION OF THE AUDIT COMMITTEE:

7.1 The Audit Committee has perused the following documents:

a. Draft Scheme duly initialled by the Company Secretary of the Company for the purpose of identification;

b. Draft Merger implementation agreement;

c. Valuation Report dated September 25, 2023, issued by Mr. Mahesh Manodwara., Registered Valuer (IBBI Reg no. IBBI/RV/06/2020/13459) ("Valuation Report"), who in his report has recommended the share exchange ratio of 494 equity shares of the Company for every 10 equity shares of Fibcorp Polyweave Private Limited ("Share Exchange Ratio"), as set out in valuation report.

d. Fairness opinion dated September 25, 2023, issued by Kunvarji Finstock Private Limited, an independent SEBI registered Category-I Merchant Banker having SEBI reg. no.: INM000012564, providing fairness opinion on the recommended Share Exchange Ratio in the Valuation Report prepared by Mr. Mahesh Mandowara. ("Fairness Opinion");

e. Undertaking to be given by the Company confirming that approval of majority of public shareholders as prescribed under Paragraph (A)(10)(b) of Part I of the Master SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 is not applicable to the Scheme along with certificate of the Statutory Auditors of the Company, certifying the said undertaking and

f. Auditor's Certificate by the Statutory Auditors of the Company i.e., HR Jain & Co. Chartered Accountants ("Auditors Certificate") in terms of Para (A)(5) of Part I of the Master SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, and proviso to sub-clause (j) of Section 232(3) of the Act to the effect that (a) the Scheme is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Act.

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7.2. The Audit Committee having considered and noted the above, recommends the draft Scheme to the Board, in its present form for favourable consideration by the Board, Stock Exchanges, National Company Law Tribunal, SEBI and such other regulatory authorities, as may be applicable.

**8. Conclusion**

Having considered the Scheme and its rationale and its benefits, the Valuation Report, the Fairness Opinion, impact of the Scheme on the Company and its shareholders, cost benefit analysis of the Scheme, synergies of business and other documents as placed before it, the Committee unanimously recommends the Scheme for consideration by the Board of Directors of the Company

**For and on behalf of the Audit Committee of**
**Sah Polymers Limited**

SAH POLYMERS LTD. UDAIPUR

**Ramesh Chandra Soni**
**Chairman of the Audit Committee**
**Date:25.09. 2023**
**Place: Udaipur**

# SAH POLYMERS LIMITED

www.sahpolymers.com CIN : U24201RJ1992PLC006657

**REPORT OF THE INDEPENDENT DIRECTORS OF SAH POLYMERS LIMITED ("COMPANY" OR "TRANSFEREE COMPANY") RECOMMENDING THE SCHEME OF AMALGAMATION BETWEEN THE COMPANY AND FIBCORP POLYWEAVE PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS**

This report is considered and approved by the Independent Directors of the Company at the meeting held on September 25, 2023 at 11:00 A.M. the Registered Office of the Company at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 where the following Independent Directors were present:

Directors present:

1. Mr. Ramesh Chandra Soni
2. Mr. Sanjay Suthar
3. Mr. Nikhil Raut Khanderao
4. Ms. Asha Jain

Leave of Absence: All the Independent directors are present.

The Independent Directors of the Company unanimously elected Mr. Ramesh Chandra Soni, Lead Independent Director, as the chairperson of the meeting.

**1. Background**

1.1. The proposed composite scheme of amalgamation between the Company and Fibcorp Polyweave Private Limited ("Transferor Company ") and their respective shareholders ("Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the Act) read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and the relevant provisions of the Securities and Exchange Board of India ("SEBI") Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 June 20, 2023 and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, has been placed before the Independent Directors of the Company at their meeting held on September 25, 2023 for the Independent Directors of the Company to consider and approve the said Scheme.

1.2. As per the requirements under the SEBI Circular, the Independent Directors of the Company are required to adopt a report recommending the Scheme, taking into consideration, inter alia, that the scheme is not detrimental to the shareholders of the Company.

1.3. This report, in connection with the Scheme, has been accordingly adopted by the Independent Directors of the Company in order to comply with the requirements under the SEBI Circular, after considering, discussing and reviewing, inter-alia, the following:

a) the draft Scheme which is duly initialled by Company Secretary of the Company for the purpose of identification.

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(b) valuation report dated September 25, 2023 issued by Mr. Mahesh Mandowara, an independent and registered valuer, in respect of the share exchange ratios set out under the Scheme;

(c) fairness opinion dated September 25, 2023 issued by Kunvarji Finstock Private Limited, an independent and SEBI registered Category I merchant banker, having SEBI Reg. no.: INM000012564, providing opinion on the fairness of the share exchange ratios proposed in the valuation report;

(d) draft certificate from the statutory auditor of the Company H R Jain & Co.,

(e) Undertaking given by the Company confirming that approval of majority of public shareholders as prescribed under Paragraph (A)(10)(b) of Part I of the SEBI Circular is not applicable to the Scheme along with certificate of the Statutory Auditors of the Company, certifying the said undertaking.

**2. Need and rationale for the Scheme**

2.1. The Independent Directors of the Company noted the need and rationale of the Scheme which is set out below:

**3. Need for amalgamation and rationale for the Scheme**

The Independent Directors noted and agreed with the need for amalgamation and rationale of the Scheme which is set out below:

1.1. The Transferor Company is a subsidiary of the Transferee Company and is under the management of the Transferee Company.

1.2. The Transferor Company and the Transferee Company are engaged in the business of manufacture and sale of Flexible Intermediate Bulk containers (FIBC), HDPE/PP fabrics and sacks etc. The amalgamation will ensure focused management in the combined entity thereby resulting in efficiency of management and maximizing value for the shareholders. Such restructuring will lead to simplification of group structure by eliminating multiple companies in similar business.

1.3. The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with the terms of this Scheme would enable both the Companies to realize benefits of greater synergies between their businesses, yield beneficial results and pool financial resources as well as managerial, technical, distribution and marketing resources of each other in the interest of maximizing value to their Shareholders and the Stakeholders.

**4. Synergies of business of the entities involved in the scheme**

The Independent Directors noted that the proposed Scheme would result in following Synergies:

SAH POLYMERS LTD. UDAIPUR

a. **Operational integration and better facility utilisation**: The amalgamation in accordance with this Scheme will provide an opportunity for reduction of operational costs through transfer of intermediary products between the Companies, better order loads for the business through pooling of orders, synergies from sales and production planning across the businesses.

b. **Efficient raw material procurement and reduced procurement costs:** Synergy of operations will be achieved as a result of sustained availability of raw materials as well as reduced procurement costs for Transferor Company. The proposed amalgamation would ensure combined sourcing of raw materials such as HDPE, PP, pigments, Accessories etc. by both the Transferor Company and the Transferee Company, would result in reduction in overall procurement cost for the amalgamating Company. Besides, certain requirements of the Transferor Company such as Fabrics etc. could be directly met by the Transferee Company's production and procurement arms.

c. **Operational Efficiencies:** The amalgamation would result in synergy benefits arising out of single value chain thereby reducing costs and increasing operational efficiencies. Centralization of inventory, from raw material to finished goods and spares, may enable better efficiency, utilization and overall reduction in working capital. The proposed amalgamation would likely result in optimized power consumption, reduced costs, sharing of best practices, cross-functional learnings, better utilisation of common facilities and greater efficiency in debt and cash management.

d. **Rationalization of Procurement & Logistics costs:** Consolidation and optimization of stockyards could significantly reduce logistics and distribution costs for both the Transferor Company and the Transferee Company.

e. **Enhancing Value in Marketing:** With an overlap in products across the Transferor Company and the Transferee Company, the combined entity would be better positioned to service customer needs. The Transferor Company could expand its existing core market using the strong distribution channel of the Transferee Company. Further, the Transferor Company could also have access to the Transferee Company's marketing capabilities. The Transferee Company would benefit from complementary product offerings of the Transferor Company, resulting in a strong presence across market segments. The proposed amalgamation will result in access to new markets and product offerings as well as increased export volumes.

f. **Improving Customer Satisfaction and Services:** The proposed amalgamation would make it easier to address needs of customers by providing them uniform product and service experience, on-time supplies, improved service levels thereby improving customer satisfaction. With common credit management, the customers are expected to benefit from the channel financing benefits from the combined entity.

SAH POLYMERS LTD. UDAIPUR

g. **Improved safety, environment and sustainability practices:** Increased coverage of plant automation can be achieved across plants of the Transferor Company, by using the Transferee Company's information technology applications and systems.

h. Thus, the proposed amalgamation is beneficial, advantageous and not prejudicial to the interests of the shareholders, creditors and other stakeholders of the Transferor Company and the Transferee Company and is beneficial to the public at large.

**5. Scheme not detrimental to shareholders of the Company**

The Independent Directors of the Company noted that:

5.1 For the Shareholders of the Transferee Company, the Scheme will result in economies of scale and consolidation of opportunities will improve profitability and enhance overall Shareholder value. This is particularly marked in the improved synergies that will arise pursuant to the Scheme. The impact of the Scheme on the Shareholders, including the Public Shareholders, would be the same in all respects and no Shareholder is expected to have any disproportionate advantage or disadvantage in any manner.

5.2 For the Shareholders of the Transferor Company, the Scheme will provide an opportunity to improve the economic value for the Shareholders. This is particularly marked in the improved synergies that will arise pursuant to the Scheme. Upon the Scheme becoming effective, the shareholders of the Transferor Company will be able to participate in the growth of the Transferee Company.

Therefore, considering the above and other documents presented, the Independent Directors of the Company are of the view that the Scheme is not detrimental to the shareholders of the Company.

**6. Recommendation of the Independent Directors of the Company**

6.1 The Independent Directors of the Company, after due deliberations and due consideration of all the terms of the Scheme, in particular the fact that the Scheme is not detrimental to the shareholders of the Company, recommends the Scheme for approval of the Board of Directors of the Company.

**For and on behalf of the Independent Directors of**
**Sah Polymers Limited**

SAH POLYMERS LTD. UDAIPUR

**Ramesh Chandra Soni**
**Designation: Lead Independent Director**
**DIN: 00049497**
**Date: 25.09. 2023**
**Place: Udaipur**

SAH POLYMERS LIMITED
www.sahpolymers.com CIN : L24201RJ1992PLC006657

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SAH POLYMERS LIMITED UNDER SECTION 232(2)(c) OF THE COMPANIES ACT, 2013.**

The Board of Directors ("Board") of Sah Polymers Limited ("Transferee Company" or "Company") at its Board meeting held on 18th October, 2023 has approved the Scheme of Amalgamation pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act 2013, as amended from time to time ("Act") and other applicable laws between the Fibcorp Polyweave Private Limited ("Transferor Company") and Sah Polymers Limited (the "Scheme").
This Report as per the provisions of Section 232(2)(c) of the Act, sets out the effect of the Scheme on the equity shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company and laying out in particular if applicable, the share exchange ratio (specifying any special valuation difficulties).

1. **Scheme:**

Upon the same becoming effective and with effect from the appointed date (i.e. 1st April 2023), all the assets and liabilities and entire business of the Transferor Company shall stand transferred to and vested in the Transferee Company. In addition, upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

2. **Effect of the Scheme:**

(a) Promoters and Non-Promoter Equity Shareholders: The Scheme will provide an opportunity to improve the economic value for the Shareholders. This is particularly marked in the improved synergies that will arise pursuant to the Scheme. Upon the Scheme becoming effective, the shareholders of the Transferor Company will be able to participate in the growth of the Transferee Company.

Upon coming into effect of this Scheme, and in consideration of the amalgamation of the Undertaking in the Transferee Company, the Transferee Company shall without any further application, act, instrument or deed, issue and allot to all the Equity Shareholders of the Transferor Company, whose names appear in the Register of members as on the Record Date, fully paid up Equity Shares, free and clear from all encumbrances together with all rights and benefits attaching thereto in the following share exchange ratio ("Share Exchange Ratio"):

494 (Four Hundred Ninety Four) Equity Shares of INR 10/- each credited as fully paid-up of the Transferee Company for every 10 (Ten) Equity Share of INR 100/- each fully paid-up held by such Equity Shareholder in the Transferor Company.

SAH POLYMERS LTD. UDAIPUR

(b) Key managerial personnel: The Scheme will have no effect on the existing Key managerial personnel of Sah Polymers Limited.

(c) Creditors: No rights of the creditors of the Transferor Company are being effected pursuant to the scheme. Further upon scheme become effective the liabilities of transferor company shall stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, the Transferee Company.

(d) Employees: The Scheme will have no adverse effect on the Employees of Sah Polymers Limited.

**3. Share Exchange Ratio:**

Upon coming into effect of this Scheme, 494 (Four Hundred Ninety Four) Equity Shares of INR 10/- each credited as fully paid-up of the Transferee Company for every 10 (Ten) Equity Share of INR 100/- each fully paid-up held by such Equity Shareholder in the Transferor Company.

While deliberating the scheme, the board has considered its impact on each of the shareholders, Promoters and Non-Promoter , key managerial personnel and creditors. The scheme is in the best interest of each of the Equity Shareholders, Promoters and Non-Promoter , key managerial personnel and creditors of the company and there shall be no prejudice caused to them in any manner by the Scheme.

For and on behalf of **Sah Polymers Limited**

Hakim Sadiq Ali Tidiwala
Director
DIN: 00119156
Date: 18.10.2023

SAH POLYMERS LTD. UDAIPUR

Where commitment supersedes everything else

FIBCORP POLYWEAVE

**FIBCORP Polyweave Pvt. Ltd.**

Regd. Office : E 260-261,Mewar Industrial Area, Madri, Udaipur, RJ 313003

www.fibcorpp.com, info@fibcorpp.com
CIN: U17309RJ2017PTC058691
GST: 08AADCF1666R1Z1

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF FIBCORP POLYWEAVE PRIVATE LIMITED UNDER SECTION 232(2)(c) OF THE COMPANIES ACT, 2013**

The Board of Directors ("Board") of Fibcorp Polyweave Private Limited ("Transferor Company" or "Company") at its Board meeting held on 25th September, 2023 has approved the Scheme of Amalgamation pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act 2013, as amended from time to time ("Act") and other applicable laws between the Company and Sah Polymers Limited ("Transferee Company") (the "Scheme").

This Report as per the provisions of Section 232(2)(c) of the Act, sets out the effect of the Scheme on the equity shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company and laying out in particular if applicable, the share exchange ratio (specifying any special valuation difficulties)

1. **Scheme:**
   Upon the same becoming effective and with effect from the appointed date (being 1 April 2023), all the assets and liabilities and entire business of the Transferor Company shall stand transferred to and vested in the Transferee Company. In addition, upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

2. **Effect of the Scheme**

(a) Equity shareholders, Promoters and Non-Promoter Shareholders: The Scheme will provide an opportunity to improve the economic value for the Shareholders. This is particularly marked in the improved synergies that will arise pursuant to the Scheme. Upon the Scheme becoming effective, the shareholders of the Transferor Company will be able to participate in the growth of the Transferee Company.

Upon coming into effect of this Scheme, and in consideration of the amalgamation of the Undertaking in the Transferee Company, the Transferee Company shall without any further application, act, instrument or deed, issue and allot to all the Equity Shareholders of the Transferor Company, whose names appear in the Register of members as on the Record Date, fully paid up Equity Shares, free and clear from all Encumbrances together with all rights and benefits attaching thereto in the following share exchange ratio ("Share Exchange Ratio"): 494 (Four Hundred Ninety Four) Equity Shares of INR 10/- each credited as fully paid-up of the Transferee Company for every

Fibcorp Polyweave Private Limited UDAIPUR

10 (Ten) Equity Share of INR 100/- each fully paid-up held by such Equity Shareholder in the Transferor Company.

(b) Key managerial personnel: Pursuant to the Scheme, the Amalgamating Company shall be dissolved without winding up and Key managerial personnel of the Amalgamating Company shall cease to hold their positions and cease to be the Key managerial personnel of the Amalgamating Company.

(c) Creditors: No rights of the creditors of the Transferor Company are being effected pursuant to the scheme. Further upon scheme become effective the liabilities of transferor company shall stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, the Transferee Company.

(d) Employees: There will be no adverse effect of the Scheme on the employees of FPPL.

On the Scheme becoming effective, all staff and employees of FPPL on the Effective Date shall be deemed to have become the staff and employees of Amalgamated Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with Amalgamated Company shall not be less favorable than those applicable to them with reference to FPPL as on the Effective Date.

**3. Share Exchange Ratio:**

Upon coming into effect of this Scheme, 494 (Four Hundred Ninety Four) Equity Shares of INR 10/- each credited as fully paid-up of the Transferee Company for every 10 (Ten) Equity Share of INR 100/- each fully paid-up held by such Equity Shareholder in the Transferor Company.

For and on behalf of Fibcorp Polyweave Private Limited

Murtaza Ali Moti
Director
DIN: 07876224

Fibcorp Polyweave Private Limited UDAIPUR

Date:25.09.2023

BSE
The Power of Vibrance

DCS/AMAL/AK/R37/3251/2024-25

July 16, 2024

**The Company Secretary,**
**Sah Polymers Ltd**
E-260-261, Mewar Industrial Area,
Madri, Udaipur,
Rajasthan, 313003

Dear Sir,

**Sub: Observation letter regarding the Scheme of Amalgamation of Fibcorp Polyweave Private Limited ("Transferor Company") with Sah Polymers Limited ("Transferee Company") and their respective shareholders ("Scheme")**

We are in receipt of the Scheme of Amalgamation of Fibcorp Polyweave Private Limited ("Transferor Company") with Sah Polymers Limited ("Transferee Company") and their respective shareholders ("Scheme") as required under SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 37, 94(2) of SEBI LODR Regulations 2015(LODR Regulations) and Section 66 of Companies Act, 2013; SEBI vide its letter dated July 16, 2024 has inter alia given the following comment(s) on the draft scheme of Amalgamation:

a. **"The Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."**

b. **"Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."**

c. **"Company shall ensure compliance with SEBI circulars issued from time to time.**

d. **"The entities involved in the Scheme shall duly comply with various provisions of the SEBI Circular and also ensure that all the liabilities of Transferor Company are transferred to the Transferee Company."**

e. **"Company is advised that the information pertaining to all the unlisted companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of the schedule VI of the ICDR Regulations 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."**

f. **"Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."**

g. **"Company shall ensure that the details of the proposed scheme under consideration as provided to the stock exchange shall be prominently disclosed in the notice sent to shareholders."**



**Registered Office: BSE Limited,** Floor 25, P J Towers, Dalal Street, Mumbai - 400 001, India. **T:** +91 22 2272 1234/33 | **E:** corp.comm@bseindia.com
www.bseindia.com | Corporate Identity Number : L67120MH2005PLC155188

h. **"The Companies are advised to disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013**

   i. **Details of (pre & post scheme) asset and liabilities of SPL.**
   ii. **Capital Buildup of FPPL Since inception**
   iii. **All details of valuation/share exchange ratio along with the workings of valuation and pricing certificate (including the valuation report dated 25.09.2023, 17.01.2024, company clarification dated 19.01.2024 and 17.01.2024 and Pricing Certificate dated 25.09.2023)**
   iv. **Rationale and synergies of the scheme and its impact on the public shareholders**
   v. **Details provided by SPL vide letter dated 05.07.2024 in respect of classification of proposed holding of Mr. Murtaza Moti and Mrs. Fatima Moti as public holding post scheme of arrangement."**

i. **"Company is advised that new equity shares proposed to be issued as part of the "Scheme" shall mandatorily be in demat form only."**

j. **"Company shall ensure that the "Scheme" shall be acted upon subject to the complying with the relevant clauses mentioned in the scheme document."**

k. **"Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."**

l. **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company is obliged to bring the observations to the notice of Hon'ble NCLT."**

m. **"Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."**

n. **"It is to be noted that the petitions are filed by the company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted

company involved in the format prescribed for abridged prospectus as specified in the circular dated June 20, 2023.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations do not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

**Sabah Vaze**
**Senior Manager**

**Tanmayi Lele**
**Assistant Manager**

National Stock Exchange Of India Limited

Ref: NSE/LIST/37735 July 18, 2024

The Company Secretary
Sah Polymers Limited
E 260-261, Mewar Industrial Area,
Madri, Udaipur - 313003

**Kind Attn.: Ms. Runel Saxena**

Dear Madam,

**Sub: Observation Letter for Draft Scheme of Amalgamation of Fibcorp Polyweave Private Limited (Transferor Company) with Sah Polymers Limited (Transferee Company) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.**

We are in receipt for Draft Scheme of Amalgamation of Fibcorp Polyweave Private Limited (Transferor Company) with Sah Polymers Limited (Transferee Company) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 vide application dated September 28, 2023.

Based on our letter reference no. NSE/LIST/37735 dated March 22, 2024, submitted to SEBI pursuant to SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 read with 94(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations), SEBI vide its letter dated July 16, 2024, has inter alia given the following comment(s) on the draft scheme of arrangement:

a) *The Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters, and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*

b) *The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed company and the Stock Exchanges.*

c) *The Company shall ensure compliance with the SEBI circulars issued from time to time.*

d) *The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*

This Document is Digitally Signed

Signer: KHYATI NANDAN VIDWANS
Date: Thu, Jul 18, 2024 16:08:15 IST
Location: NSE

e) *The Company shall ensure that information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*

f) *The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*

g) *The Company shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchanges shall be prominently disclosed in the notice sent to the Shareholders.*

h) *The Company shall ensure to disclose the following, as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013:*

- *Details of (pre & post scheme) Assets and Liabilities of SPL.*
- *Capital buildup of FPPL since inception*
- *All details of valuation / Share Exchange Ratio provided at para 12 of BSE's letter dated March 21, 2024.*
- *Rationale & synergies of the scheme and its impact on the public shareholders.*
- *Details provided by SPL vide letter dated July 05, 2024 in respect of classification of proposed holding of Mr. Murtaza Moti and Mrs. Fatima Moti as public holding post scheme of arrangement.*

i) *The Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only.*

j) *The Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*

k) *The Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.*

l) *The Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*

This Document is Digitally Signed

Signer: KHYATI NANDAN VIDWANS
Date: Thu, Jul 18, 2024 16:08:15 IST
Location: NSE

m) *The Company shall ensure that all the applicable provisions under the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme are complied.*

n) *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.*

**It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.**

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

The Listed entities involved in the proposed Scheme shall disclose the No-Objection Letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No objection" in terms of Regulation 37 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from July 18, 2024, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

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Signer: KHYATI NANDAN VIDWANS
Date: Thu, Jul 18, 2024 16:08:15 IST
Location: NSE

**The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.**

Yours faithfully,
For National Stock Exchange of India Limited

Khyati Vidwans
Senior Manager

This Document is Digitally Signed

Signer: KHYATI NANDAN VIDWANS
Date: Thu, Jul 18, 2024 16:08:15 IST
Location: NSE

SAH POLYMERS LIMITED
www.sahpolymers.com CIN : L24201RJ1992PLC006657

## DETAILS OF ONGOING ADJUDICATION AND RECOVERY PROCEEDINGS, PROSECUTION INITIATED, AND ALL OTHER ENFORCEMENT ACTION TAKEN, IF ANY, AGAINST THE COMPANY, ITS PROMOTERS AND DIRECTORS:

**A. Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Company.**

I. Details of ongoing adjudications and recovery proceedings against the Transferor Company:

**1. Income tax:**
No dispute is pending.

**2. GST, Custom and services tax:**
No dispute is pending.

**3. Companies Act.:**
No dispute is pending.

**B. Details of ongoing adjudications & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Promoters of the Company i.e. Sat Industries Limited**

The particulars of statutory dues as at March 31,2024, which have been not deposited on account of disputes of Sat Industries Limited, promotor of the company are as follows.

| Name of statute | Nature of dues | Amount (net of payments/ deposits) (₹. In lakhs) | Period to which the amount relates | Forum where the dispute is pending |
|---|---|---|---|---|
| Goods & services Tax act | For GST Demand | 226.20 (Net of deposit) | For the Period of F.Y.2017-2018 | Appeal under GST |
| Goods & services Tax act | For GST Demand | 151.94(Net of deposit) | For the Period of F.Y.2018-2019 | Appeal under GST |

**C. Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the directors of the Company.**

We hereby confirm that there are no on-going adjudication & recovery proceedings, prosecution initiated and other enforcement action taken against the director of the Company in their capacity as the directors of the company.

For and on behalf of **Sah Polymers Limited**

Hakim Sadiq Ali Tidiwala
Whole-time Director
DIN: 00119156
Date: 25.11.2023

SAH POLYMERS LTD. * UDAIPUR *

| Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 | | |
|---|---|---|
| FOR POST SCHEME OF ARRANGEMENT | | |
| 1. | Name of Listed Entity: Sah Polymers Limited | |
| 2. | Scrip Code/Name of Scrip/Class of Security: 543743 | |
| 3. | Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg. 31(1)(b)/Reg.31(1)(c) | |
| | a. | If under 31(1)(b) then indicate the report for Quarter ending |
| | b. | If under 31(1)(c) then indicate date of allotment/extinguishment |
| 4. | Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:- | |

| | Particulars | Yes* | No* |
|---|---|---|---|
| 1 | Whether the Listed Entity has issued any partly paid up shares? | | No |
| 2 | Whether the Listed Entity has issued any Convertible Securities or Warrants? | | No |
| 3 | Whether the Listed Entity has any shares against which depository receipts are issued? | | No |
| 4 | Whether the Listed Entity has any shares in locked-in? | | No |
| 5 | Whether any shares held by promoters are pledge or otherwise encumbered? | | No |

* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

GENERATED ON :04/10/2024 NSDL : 30/09/2024 CDSL :30/09/2024

**Sah Polymers Limited**

**Table I - Summary Statement holding of specified securities**

| Category | Category of shareholder | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including | Shareholding , as a % assuming full conversion of convertible securities | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | |
| | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a | (IX) | | | | (X) | (XI)= | (XII) | | (XIII) | | (XIV) |
| (A) | Promoter & Promoter Group | 2 | 15596000 | 0 | 0 | 15596000 | 56.9119 | 15596000 | 0 | 15596000 | 56.9119 | 0 | 56.9119 | 0 | 0.0000 | 0 | 0.0000 | 15596000 |
| (B) | Public | 8032* | 11807772* | 0 | 0 | 11807772* | 43.0881 | 27403772 | 0 | 11807772 | 43.0881 | 0 | 43.0881 | 0 | 0.0000 | NA | NA | 27403772 |
| (C) | Non Promoter - Non Public | | | | 0 | | | | 0 | | | 0 | | | 0.0000 | NA | NA | |
| (C1) | Shares Underlying DRs | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| (C2) | Shares Held By Employee Trust | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| | Total | 8034 | 27403772 | 0 | 0 | 27403772 | 100.0000 | 27403772 | 0 | 27403772 | 100.0000 | 0 | 100.0000 | 0 | 0.0000 | 0 | 0.0000 | 27403772 |

* Includes proposed allotment pursuant to the scheme of amalgamation.

**Sah Polymers Limited**

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

| | Category & Name of the shareholders | Entity Type | PAN | Nos. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | Shares Underlying Outstanding convertible securities (including | ing , as a % assuming full conversion of convertible securities | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | No of Voting Rights | | | Total as a % of Total Voting Rights | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | |
| | | | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | |
| | (I) | | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a | (IX) | | | | (X) | (XI)= | (XII) | | (XIII) | | (XIV) |
| 1 | Indian | | | | | | | | | | | | | | | | | | | |
| (a) | Individuals / Hindu Undivided Family | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (b) | Central Government / State Government(s) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (c) | Financial Institutions / Banks | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (d) | Any Other (Specify) | | | 2 | 15596000 | 0 | 0 | 15596000 | 56.9119 | 15596000 | 0 | 56.9119 | 56.9119 | 0 | 56.9119 | 0 | 0.0000 | 0 | 0.0000 | 15596000 |
| | Bodies Corporate | | | 2 | 15596000 | 0 | 0 | 15596000 | 56.9119 | 15596000 | 0 | 56.9119 | 56.9119 | 0 | 56.9119 | 0 | 0.0000 | 0 | 0.0000 | 15596000 |
| | Sat Industries Limited | Promotars | AAACR2207F | 1 | 14316000 | 0 | 0 | 14316000 | 52.241 | 14316000 | 0 | 52.241 | 52.241 | 0 | 52.241 | 0 | 0.0000 | 0 | 0.0000 | 14316000 |
| | Sat Invest Private Limited | Promotar Group | AACCS2098D | 1 | 1280000 | 0 | 0 | 1280000 | 4.6709 | 1280000 | 0 | 4.6709 | 4.6709 | 0 | 4.6709 | 0 | 0.0000 | 0 | 0.0000 | 1280000 |
| | Sub Total (A)(1) | | | 2 | 15596000 | 0 | 0 | 15596000 | 56.9119 | 15596000 | 0 | 56.9119 | 56.9119 | 0 | 56.9119 | 0 | 0.0000 | 0 | 0.0000 | 15596000 |
| 2 | Foreign | | | | | | | | | | | | | | | | | | | |
| (a) | Individuals (Non-Resident Individuals / Foreign Individuals) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (b) | Government | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (c) | Institutions | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (d) | Foreign Portfolio Investor | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (e) | Any Other (Specify) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| | Sub Total (A)(2) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| | Total Shareholding Of Promoter And Promoter Group (A)=(A)(1)+(A)(2) | | | 2 | 15596000 | 0 | 0 | 15596000 | 56.9119 | 15596000 | 0 | 15596000 | 56.9119 | 0 | 56.9119 | 0 | 0.0000 | 0 | 0.0000 | 15596000 |

Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

Note :

(1) PAN would not be displayed on website of Stock Exchange(s)

(2) The term 'Encumbrance' has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

**Sah Polymers Limited**

**Table III - Statement showing shareholding pattern of the Public shareholder**

| | Category & Name of the shareholders | PAN | Nos. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | Shares Underlying Outstanding convertible securities (including | ing , as a % assuming full conversion of convertible securities | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form | Sub-categorization of shares | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | No of Voting Rights | | | Total as a % of Total Voting Rights | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | | Shareholding(No. of shares) under | | |
| | | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | | Sub-category(i) | Sub-category(ii) | Sub-category(iii) |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a | (IX) | | | | (X) | (XI)= | (XII) | | (XIII) | | (XIV) | (XV) | | |
| 1 | Institutions (Domestic) | | | | | | | | | | | | | | | | | | | | | |
| (a) | Mutual Fund | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (b) | Venture Capital Funds | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (c) | Alternate Investment Funds | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (d) | Banks | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (e) | Insurance Companies | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (f) | Provident Funds/ Pension Funds | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (g) | Asset Reconstruction Companies | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (h) | Sovereign Wealth Funds | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (i) | NBFCs registered with RBI | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (j) | Other Financial Institutions | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (k) | Any Other (Specify) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| | Sub Total (B)(1) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| 2 | Institutions (Foreign) | | | | | | | | | | | | | | | | | | | | | |
| (a) | Foreign Direct Investment | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (b) | Foreign Venture Capital Investors | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (c) | Sovereign Wealth Funds | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (d) | Foreign Portfolio Investors Category I | | 2 | 938028 | 0 | 0 | 938028 | 3.4229 | 938028 | 0 | 938028 | 3.4229 | 0 | 3.4229 | 0 | 0.0000 | NA | NA | 938028 | 0 | 0 | 0 |
| | Meru Investment Fund Pcc-Cell 1 | AAQCM9804J | 1 | 938503 | 0 | 0 | 938503 | 3.4186 | 938503 | 0 | 938503 | 3.4186 | 0 | 3.4186 | 0 | 0.0000 | NA | NA | 938503 | | | |
| (e) | Foreign Portfolio Investors Category II | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (f) | Overseas Depositories(holding DRs) (balancing figure) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (g) | Any Other (Specify) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| | Sub Total (B)(2) | | 2 | 938028 | 0 | 0 | 938028 | 3.4229 | 938028 | 0 | 938028 | 3.4229 | 0 | 3.4229 | 0 | 0.0000 | NA | NA | 938028 | 0 | 0 | 0 |
| 3 | Central Government/ State Government(s) | | | | | | | | | | | | | | | | | | | | | |
| (a) | Central Government / President of India | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (b) | State Government / Governor | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (C) | Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| | Sub Total (B)(3) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| 4 | Non-Institutions | | | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (a) | Associate companies / Subsidiaries | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (b) | Directors and their relatives (excluding Independent Directors and nominee Directors) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (C) | Key Managerial Personnel | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (D) | Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (E) | Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust' | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (F) | Investor Education and Protection Fund (IEPF) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (g) | i. Resident individual holding nominal share capital up to Rs. 2 lakhs. | | 7838 | 1406277 | 0 | 0 | 1406277 | 5.1317 | 1406277 | 0 | 1406277 | 5.1317 | 0 | 5.1317 | 0 | 0.0000 | NA | NA | 1406277 | 0 | 0 | 0 |
| (h) | ii. Resident individual holding nominal share capital in excess of Rs. 2 lakhs. | | 18* | 3397337* | 0 | 0 | 3397337 | 12.3973 | 3397337 | 0 | 3397337 | 12.3973 | 0 | 12.3973 | 0 | 0.0000 | NA | NA | 12.3973 | 0 | 0 | 0 |
| | Shrikram Agarwal | AASPA4856Q | | 285559 | 0 | 0 | 285559 | 1.0412 | 285559 | 0 | 285559 | 1.0412 | 0 | 1.0412 | 0 | 0.0000 | NA | NA | 1.0412 | | | |
| | Harsh Jasmin Ajmera | AEMPA4985L | | 410949 | 0 | 0 | 410949 | 1.4986 | 410949 | 0 | 410949 | 1.4986 | 0 | 1.4986 | 0 | 0.0000 | NA | NA | 1.4986 | | | |

| | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| (i) | Non Resident Indians (NRIs) | | 42 | 24241 | 0 | 0 | 24241 | 0.0885 | 24241 | 0 | 24241 | 0.0885 | 0 | 0.0885 | 0 | 0.0000 | NA | NA | 24241 | 0 | 0 | 0 |
| (j) | Foreign Nationals | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (k) | Foreign Companies | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (l) | Bodies Corporate | | 59 | 5196869 | 0 | 0 | 5196869 | 18.9641 | 5196869 | 0 | 5196869 | 18.9641 | 0 | 18.9641 | 0 | 0.0000 | NA | NA | 5196869 | 0 | 0 | 0 |
| | Park Continental Private Limited | AABCP9174A | 1 | 1124784 | 0 | 0 | 1124784 | 4.1044 | 1124784 | 0 | 1124784 | 4.1044 | 0 | 4.1044 | 0 | 0.0000 | NA | NA | 1124784 | | | |
| | Ska Marketing Private Limited | AABCS4458F | 1 | 1080799 | 0 | 0 | 1080799 | 3.9439 | 1080799 | 0 | 1080799 | 3.9439 | 0 | 3.9439 | 0 | 0.0000 | NA | NA | 1080799 | | | |
| | Unishire Urban Infra Limited | AABCF8723F | 1 | 417000 | 0 | 0 | 417000 | 1.5216 | 417000 | 0 | 417000 | 1.5216 | 0 | 1.5216 | 0 | 0.0000 | NA | NA | 417000 | | | |
| | LT Hitech Private Limited | AACCL7180P | 1 | 397005 | 0 | 0 | 397005 | 1.4027 | 397005 | 0 | 397005 | 1.4027 | 0 | 1.4027 | 0 | 0.0000 | NA | NA | 397005 | | | |
| | Delight Quant Private Limited | AAKCD1485F | 1 | 300000 | 0 | 0 | 300000 | 1.0947 | 300000 | 0 | 300000 | 1.0947 | 0 | 1.0947 | 0 | 0.0000 | NA | NA | 300000 | | | |
| | Jainam Broking Limited | AABCJ3918N | 1 | 273500 | 0 | 0 | 273500 | 0.998 | 273500 | 0 | 273500 | 0.998 | 0 | 0.998 | 0 | 0.0000 | NA | NA | 273500 | | | |
| (m) | Any Other (Specify) | | 82 | 845020 | 0 | 0 | 845020 | 3.0836 | 845020 | 0 | 845020 | 3.0836 | 0 | 3.0836 | 0 | 0.0000 | NA | NA | 845020 | 0 | 0 | 0 |
| | Body Corp-Ltd Liability Partnership | | 5 | 492664 | 0 | 0 | 492664 | 1.7978 | 492664 | 0 | 492664 | 1.7978 | 0 | 1.7978 | 0 | 0.0000 | NA | NA | 492664 | 0 | 0 | 0 |
| | Specz Ago Polymers Llp | ADWFS4432K | 1 | 347306 | 0 | 0 | 347306 | 1.2673 | 347306 | 0 | 347306 | 1.2673 | 0 | 1.2673 | 0 | 0.0000 | NA | NA | 347306 | | | |
| | Hindu Undivided Family | | 76 | 352356 | 0 | 0 | 352356 | 1.2858 | 352356 | 0 | 352356 | 1.2858 | 0 | 1.2858 | 0 | 0.0000 | NA | NA | 352356 | 0 | 0 | 0 |
| | Sub Total (B)(4) | | 8030 | 9261972 | 0 | 0 | 9261972 | 33.6652 | 9261972 | 0 | 9261972 | 33.6652 | 0 | 33.6652 | 0 | 0.0000 | NA | NA | 9261972 | 0 | 0 | 0 |
| | Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)+(B)(4) | | 8032* | 11807772* | 0 | 0 | 11807772 | 43.0881 | 11807772 | 0 | 11807772 | 43.0881 | 0 | 43.0881 | 0 | 0.0000 | NA | NA | 11807772 | 0 | 0 | 0 |

* includes Fatima Moti & Murtaza Ali Moti Pursuant To the Scheme of Amalgamation.

Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):

| No. of shareholders | No. of Shares | % |
|---|---|---|
| 0 | | |

Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

| No. of shareholders | No. of Shares |
|---|---|
| 0 | 0 |

Note :

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no.(XIII)is not applicable in the above format.

(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available and the balance to be disclosed as held by custodian.

(4) Categorization and disclosure of each shareholder category should be carried out in the order prescribed in the above format. If a shareholder is falling under more than one category, then the same shall be classified in the category falling first in

(5) Sub-categorization of shares under column no.(XV) will be based on shareholding(no. of shares)under the following sub-categories:

(i) Shareholder who are represented by a nominee Director on the board of the listed entity or have the right to nominate a representative(i.e. Director)on the board of the listed entity.

(ii) Shareholder who have entered into shareholder agreement with the listed entity.

(iii) Shareholders acting as persons in concert with promoters.

**Sah Polymers Limited**

Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

| | Category & Name of the shareholders | PAN | Nos. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | Shares Underlying Outstanding convertible securities (including | ing , as a % assuming full conversion of convertible securities | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | No of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | |
| | | | | | | | | | Class eg: x | Class eg: y | Total | | | | | | | | |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a | (IX) | | | | (X) | (XI)= | (XII) | | (XIII) | | (XIV) |
| 1 | Custodian/DR Holder | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| 2 | Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021 | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| | Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |

Note :

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no.(XIII)is not applicable in the above format.

(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.

GENERATED ON :04/10/2024 NSDL : 30/09/2024 CDSL :30/09/2024

| Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 | | |
|---|---|---|
| FOR PRE SCHEME OF ARRANGEMENT | | |
| 1. | Name of Listed Entity: Sah Polymers Limited | |
| 2. | Scrip Code/Name of Scrip/Class of Security: 543743 | |
| 3. | Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg. 31(1)(b)/Reg.31(1)(c) | |
| | a. | If under 31(1)(b) then indicate the report for Quarter ending |
| | b. | If under 31(1)(c) then indicate date of allotment/extinguishment |
| 4. | Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:- | |

| | Particulars | Yes* | No* |
|---|---|---|---|
| 1 | Whether the Listed Entity has issued any partly paid up shares? | | No |
| 2 | Whether the Listed Entity has issued any Convertible Securities or Warrants? | | No |
| 3 | Whether the Listed Entity has any shares against which depository receipts are issued? | | No |
| 4 | Whether the Listed Entity has any shares in locked-in? | | No |
| 5 | Whether any shares held by promoters are pledge or otherwise encumbered? | | No |

*** If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.**

**GENERATED ON :04/10/2024 NSDL : 30/09/2024 CDSL :30/09/2024**

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**Sah Polymers Limited**

**Table I - Summary Statement holding of specified securities**

| Category | Category of shareholder | Nos. of shareholders | No. of fully paid up equity shares held | No. of Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) | Number of Voting Rights held in each class of securities | | | | Shares Underlying Outstanding convertible securities (including | ing , as a % assuming full conversion of convertible securities | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | |
| | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a | (IX) | | | | (X) | (XI)= | (XII) | | (XIII) | | (XIV) |
| (A) | Promoter & Promoter Group | 2 | 15596000 | 0 | 0 | 15596000 | 60.4590 | 15596000 | 0 | 15596000 | 60.4590 | 0 | 60.4590 | 0 | 0.0000 | 0 | 0.0000 | 15596000 |
| (B) | Public | 8030 | 10200000 | 0 | 0 | 10200000 | 39.5410 | 10200000 | 0 | 10200000 | 39.5410 | 0 | 39.5410 | 0 | 0.0000 | NA | NA | 10200000 |
| (C) | Non Promoter - Non Public | | | | 0 | | | | 0 | | | 0 | | | 0.0000 | NA | NA | |
| (C1) | Shares Underlying DRs | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| (C2) | Shares Held By Employee Trust | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| | Total | 8032 | 25796000 | 0 | 0 | 25796000 | 100.0000 | 25796000 | 0 | 25796000 | 100.0000 | 0 | 100.0000 | 0 | 0.0000 | 0 | 0.0000 | 25796000 |

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**Sah Polymers Limited**

**Table II - Statement showing shareholding pattern of the Promoter and Promoter Group**

| | Category & Name of the shareholders | Entity Type | PAN | Nos. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities (including | Shareholding , as a % assuming full conversion of convertible securities | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | No of Voting Rights | | | Total as a % of Total Voting Rights | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | |
| | | | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | |
| | (I) | | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a | (IX) | | | | (X) | (XI)= | (XII) | | (XIII) | | (XIV) |
| 1 | Indian | | | | | | | | | | | | | | | | | | | |
| (a) | Individuals / Hindu Undivided Family | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (b) | Central Government / State Government(s) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (c) | Financial Institutions / Banks | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (d) | Any Other (Specify) | | | 2 | 15596000 | 0 | 0 | 15596000 | 60.4590 | 15596000 | 0 | 15596000 | 60.4590 | 0 | 60.4590 | 0 | 0.0000 | 0 | 0.0000 | 15596000 |
| | Bodies Corporate | | | 2 | 15596000 | 0 | 0 | 15596000 | 60.4590 | 15596000 | 0 | 15596000 | 60.4590 | 0 | 60.4590 | 0 | 0.0000 | 0 | 0.0000 | 15596000 |
| | Sat Industries Limited | Promoters | AAACR2207F | 1 | 14316000 | 0 | 0 | 14316000 | 55.4970 | 14316000 | 0 | 14316000 | 55.4970 | 0 | 55.4970 | 0 | 0.0000 | 0 | 0.0000 | 14316000 |
| | Sat Invest Private Limited | Promoter Group | AACCS2098D | 1 | 1280000 | 0 | 0 | 1280000 | 4.9620 | 1280000 | 0 | 1280000 | 4.9620 | 0 | 4.9620 | 0 | 0.0000 | 0 | 0.0000 | 1280000 |
| | Sub Total (A)(1) | | | 2 | 15596000 | 0 | 0 | 15596000 | 60.4590 | 15596000 | 0 | 15596000 | 60.4590 | 0 | 60.4590 | 0 | 0.0000 | 0 | 0.0000 | 15596000 |
| 2 | Foreign | | | | | | | | | | | | | | | | | | | |
| (a) | Individuals (Non-Resident Individuals / Foreign Individuals) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (b) | Government | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (c) | Institutions | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (d) | Foreign Portfolio Investor | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| (e) | Any Other (Specify) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| | Sub Total (A)(2) | | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | 0 |
| | Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2) | | | 2 | 15596000 | 0 | 0 | 15596000 | 60.4590 | 15596000 | 0 | 15596000 | 60.4590 | 0 | 60.4590 | 0 | 0.0000 | 0 | 0.0000 | 15596000 |

**Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.**

**Note :**
**(1) PAN would not be displayed on website of Stock Exchange(s)**
**(2) The term 'Encumbrance' has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.**

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**Sah Polymers Limited**

**Table III - Statement showing shareholding pattern of the Public shareholder**

| | Category & Name of the shareholders | PAN | Nos. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | Shares Underlying Outstanding convertible securities (including | ing , as a % assuming full conversion of convertible securities | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form | Sub-categorization of shares | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | No of Voting Rights | | | Total as a % of Total Voting Rights | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | | Shareholding(No. of shares) under | | |
| | | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | | Sub-category(i) | Sub-category(ii) | Sub-category(iii) |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a | (IX) | | | | (X) | (XI)= | (XII) | | (XIII) | | (XIV) | (XV) | | |
| 1 | Institutions (Domestic) | | | | | | | | | | | | | | | | | | | | | |
| (a) | Mutual Fund | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (b) | Venture Capital Funds | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (c) | Alternate Investment Funds | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (d) | Banks | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (e) | Insurance Companies | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (f) | Provident Funds/ Pension Funds | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (G) | Asset Reconstruction Companies | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (h) | Sovereign Wealth Funds | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (i) | NBFCs registered with RBI | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (j) | Other Financial Institutions | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (k) | Any Other (Specify) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| | Sub Total (B)(1) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| 2 | Institutions (Foreign) | | | | | | | | | | | | | | | | | | | | | |
| (a) | Foreign Direct Investment | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (b) | Foreign Venture Capital Investors | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (c) | Sovereign Wealth Funds | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (d) | Foreign Portfolio Investors Category I | | 2 | 938028 | 0 | 0 | 938028 | 3.6363 | 938028 | 0 | 938028 | 3.6363 | 0 | 3.6363 | 0 | 0.0000 | NA | NA | 938028 | 0 | 0 | 0 |
| | Meru Investment Fund Pcc-Cell 1 | AAQCM9904J | 1 | 936303 | 0 | 0 | 936303 | 3.6296 | 936303 | 0 | 936303 | 3.6296 | 0 | 3.6296 | 0 | 0.0000 | NA | NA | 936303 | | | |
| (e) | Foreign Portfolio Investors Category II | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (f) | Overseas Depositories(holding DRs) (balancing figure) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (g) | Any Other (Specify) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| | Sub Total (B)(2) | | 2 | 938028 | 0 | 0 | 938028 | 3.6363 | 938028 | 0 | 938028 | 3.6363 | 0 | 3.6363 | 0 | 0.0000 | NA | NA | 938028 | 0 | 0 | 0 |
| 3 | Central Government/ State Government(s) | | | | | | | | | | | | | | | | | | | | | |
| (a) | Central Government / President of India | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (b) | State Government / Governor | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (C) | Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| | Sub Total (B)(3) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| 4 | Non-Institutions | | | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (a) | Associate companies / Subsidiaries | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (b) | Directors and their relatives (excluding Independent Directors and nominee Directors) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (C) | Key Managerial Personnel | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (D) | Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (E) | Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee','beneficiary', or 'author of the trust'' | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (f) | Investor Education and Protection Fund (IEPF) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 | | | |
| (g) | i. Resident Individual holding nominal share capital up to Rs. 2 lakhs. | | 7838 | 1406277 | 0 | 0 | 1406277 | 5.4515 | 1406277 | 0 | 1406277 | 5.4515 | 0 | 5.4515 | 0 | 0.0000 | NA | NA | 1406277 | 0 | 0 | 0 |
| (h) | ii. Resident individual holding nominal share capital in excess of Rs. 2 lakhs. | | 16 | 1789565 | 0 | 0 | 1789565 | 6.9374 | 1789565 | 0 | 1789565 | 6.9374 | 0 | 6.9374 | 0 | 0.0000 | NA | NA | 1789565 | 0 | 0 | 0 |



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| | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Bholaram Agarwal | AASPA4858Q | | 285339 | 0 | 0 | 285339 | 1.1061 | 285339 | 0 | 285339 | 1.1061 | 0 | 1.1061 | 0 | 0.0000 | NA | NA | 285339 | | | |
| | Harsh Jasmin Ajmera | AEMPA4965L | | 410949 | 0 | 0 | 410949 | 1.5931 | 410949 | 0 | 410949 | 1.5931 | 0 | 1.5931 | 0 | 0.0000 | NA | NA | 410949 | | | |
| **(i)** | **Non Resident Indians (NRIs)** | | **42** | **24241** | **0** | **0** | **24241** | **0.0940** | **24241** | **0** | **24241** | **0.0940** | **0** | **0.0940** | **0** | **0.0000** | **NA** | **NA** | **24241** | **0** | **0** | **0** |
| **(j)** | **Foreign Nationals** | | **0** | **0** | **0** | **0** | **0** | **0.0000** | **0** | **0** | **0** | **0.0000** | **0** | **0.0000** | **0** | **0.0000** | **NA** | **NA** | **0** | | | |
| **(k)** | **Foreign Companies** | | **0** | **0** | **0** | **0** | **0** | **0.0000** | **0** | **0** | **0** | **0.0000** | **0** | **0.0000** | **0** | **0.0000** | **NA** | **NA** | **0** | | | |
| **(l)** | **Bodies Corporate** | | **50** | **5196869** | **0** | **0** | **5196869** | **20.1460** | **5196869** | **0** | **5196869** | **20.1460** | **0** | **20.1460** | **0** | **0.0000** | **NA** | **NA** | **5196869** | **0** | **0** | **0** |
| | Park Continental Private Limited | AABCP9174A | 1 | 1124784 | 0 | 0 | 1124784 | 4.3603 | 1124784 | 0 | 1124784 | 4.3603 | 0 | 4.3603 | 0 | 0.0000 | NA | NA | 1124784 | | | |
| | Ska Marketing Private Limited | ABBCS4486R | 1 | 1080799 | 0 | 0 | 1080799 | 4.1898 | 1080799 | 0 | 1080799 | 4.1898 | 0 | 4.1898 | 0 | 0.0000 | NA | NA | 1080799 | | | |
| | Unishire Urban Infra Limited | AABCR3723R | 1 | 417000 | 0 | 0 | 417000 | 1.6165 | 417000 | 0 | 417000 | 1.6165 | 0 | 1.6165 | 0 | 0.0000 | NA | NA | 417000 | | | |
| | L7 Hitech Private Limited | AACCL7130P | 1 | 357005 | 0 | 0 | 357005 | 1.3840 | 357005 | 0 | 357005 | 1.3840 | 0 | 1.3840 | 0 | 0.0000 | NA | NA | 357005 | | | |
| | Delight Quant Private Limited | AAKCD1453F | 1 | 300000 | 0 | 0 | 300000 | 1.1630 | 300000 | 0 | 300000 | 1.1630 | 0 | 1.1630 | 0 | 0.0000 | NA | NA | 300000 | | | |
| | Jainam Broking Limited | AABCJ3918N | 1 | 273500 | 0 | 0 | 273500 | 1.0602 | 273500 | 0 | 273500 | 1.0602 | 0 | 1.0602 | 0 | 0.0000 | NA | NA | 273500 | | | |
| **(m)** | **Any Other (Specify)** | | **82** | **845020** | **0** | **0** | **845020** | **3.2758** | **845020** | **0** | **845020** | **3.2758** | **0** | **3.2758** | **0** | **0.0000** | **NA** | **NA** | **845020** | **0** | **0** | **0** |
| | **Body Corp-Ltd Liability Partnership** | | **6** | **492664** | **0** | **0** | **492664** | **1.9098** | **492664** | **0** | **492664** | **1.9098** | **0** | **1.9098** | **0** | **0.0000** | **NA** | **NA** | **492664** | **0** | **0** | **0** |
| | Space Age Polymers Llp | ADWFS4422K | 1 | 347308 | 0 | 0 | 347308 | 1.3464 | 347308 | 0 | 347308 | 1.3464 | 0 | 1.3464 | 0 | 0.0000 | NA | NA | 347308 | | | |
| | **Hindu Undivided Family** | | **76** | **352356** | **0** | **0** | **352356** | **1.3659** | **352356** | **0** | **352356** | **1.3659** | **0** | **1.3659** | **0** | **0.0000** | **NA** | **NA** | **352356** | **0** | **0** | **0** |
| | **Sub Total (B)(4)** | | **8028** | **9261972** | **0** | **0** | **9261972** | **35.9047** | **9261972** | **0** | **9261972** | **35.9047** | **0** | **35.9047** | **0** | **0.0000** | **NA** | **NA** | **9261972** | **0** | **0** | **0** |
| | **Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)+b(4)** | | **8030** | **10200000** | **0** | **0** | **10200000** | **39.5410** | **10200000** | **0** | **10200000** | **39.5410** | **0** | **39.5410** | **0** | **0.0000** | **NA** | **NA** | **10200000** | **0** | **0** | **0** |

**Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):**

| No. of shareholders | No. of Shares | % |
|---|---|---|
| 0 | | |

**Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.**

| No. of shareholders | No. of Shares |
|---|---|
| 0 | 0 |

**Note :**

**(1) PAN would not be displayed on website of Stock Exchange(s).**
**(2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no.(XIII)is not applicable in the above format.**
**(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available and the balance to be disclosed as held by custodian.**
**(4) Categorization and disclosure of each shareholder category should be carried out in the order prescribed in the above format. If a shareholder is falling under more than one category, then the same shall be classified in the category falling**
**(5) Sub-categorization of shares under column no.(XV) will be based on shareholding(no. of shares)under the following sub-categories:**
**(i) Shareholder who are represented by a nominee Director on the board of the listed entity or have the right to nominate a representative(i.e. Director)on the board of the listed entity.**
**(ii) Shareholder who have entered into shareholder agreement with the listed entity.**
**(iii) Shareholders acting as persons in concert with promoters.**

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**Sah Polymers Limited**

**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

| | Category & Name of the shareholders | PAN | Nos. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | No. of shares underlying Depository Receipts | Total nos. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | | | Shares Underlying Outstanding convertible securities (including | ing , as a % assuming full conversion of convertible securities | Number of Locked in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | No of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held(b) | No. (a) | As a % of total Shares held(b) | |
| | | | | | | | | | Class eg: X | Class eg: y | Total | | | | | | | | |
| | (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = | (VIII) As a | (IX) | | | | (X) | (XI)= | (XII) | | (XIII) | | (XIV) |
| 1 | Custodian/DR Holder | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| 2 | Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021 | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |
| | Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2) | | 0 | 0 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0 | 0.0000 | 0 | 0.0000 | NA | NA | 0 |

**Note :**

**(1) PAN would not be displayed on website of Stock Exchange(s).**

**(2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no.(XIII)is not applicable in the above format.**

**(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.**

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# SAH POLYMERS LIMITED

www.sahpolymers.com CIN : L24201RJ1992PLC006657

| SAH POLYMERS LIMITED (Transferee company) | | |
|---|---|---|
| **Details of Assests and Liabilities** | Amount (₹ in lakhs) | |
| **Particulars** | Pre-scheme Arrangement | Post- scheme Arrangement * |
| **ASSETS** | | |
| **(1) Non-current assets** | | |
| (a) Property, Plant and Equipment | 4,334.32 | 4426.38 |
| (b) Capital -work-in-progress | 92.97 | 92.97 |
| (c) Investment | 560.78 | 0 |
| (d) Other Intangible assets | 0.52 | 0.52 |
| (c) Investment | 1.97 | 1.97 |
| (e) Financial assets-Loans | 125.38 | 133.04 |
| (g) Other non-current assets | 5.68 | 5.68 |
| | **5,121.62** | **4,660.56** |
| **(2) Current assets** | | |
| (a) Inventories | 1,783.92 | 2,551.36 |
| (b) Trade receivables | 1,057.24 | 1,614.37 |
| (c) Cash and cash equivalents | 1,050.04 | 1,061.34 |
| (d) Other Bank balances | 1,089.99 | 1,089.99 |
| (e ) Loans | 1,184.98 | 840.73 |
| (F) Financial Assets -others | 6.96 | 6.96 |
| (g) Other current assets | 408.37 | 482.73 |
| | **6,581.50** | **7,647.48** |
| **Total Assets** | **11,703.12** | **12,308.04** |
| **Equity** | | |
| (a) Equity Share Capital | 2,579.60 | 2,740.38 |
| (b) Other Equity | 5,830.09 | 5,709.99 |
| | **8,409.69** | **8,450.37** |
| **LIABILITIES** | | |
| **(1) Non-current liabilities** | | |
| (a) Borrowings | 845.58 | 845.58 |
| (a) Deferred tax liabilities | 179.69 | 168.18 |
| | **1,025.27** | **1,013.76** |
| **(2) Current liabilities** | | |
| (a) Borrowings | 1,417.73 | 1,659.21 |
| (b) Trade payables | 553.09 | 813.07 |
| (c) Other Financial liabilities | 2.10 | 2.10 |
| (d) Other current liabilities | 241.06 | 287.45 |
| (e) Provisions | 0.44 | 14.81 |
| (f) Current Tax Liabilities | 53.74 | 67.27 |
| | **2,268.16** | **2,843.91** |
| **Total Equity & Liabilities** | **11,703.12** | **12,308.04** |

*after giving impact of the proposed scheme of amalgamation .

For and on behalf of **Sah Polymers Limited**

Hakim Sadiq Ali Tidiwala
(Whole-time Director)
DIN: 00119156
Date: 25.11.2023

SAH POLYMERS LTD. * UDAIPUR *

AN ISO 9001:2015
Reg. No. RQ91/7969

*Regd. Office & Factory :*
*E 260-261, Mewar Industrial Area, Madri, Udaipur-313003 (Rajasthan)*
*Tel : 0294-2490242, 9983349242, Tele/Fax : 0294-2490534*
*E-mail : info@sahpolymers.com*

# A MODI & CO

CHARTERED ACCOUNTANTS
4, SHIVKRIPA, MAHAVEER COLONY, BEDLA ROAD, UDAIPUR- 313 011
TEL- 94142 39096, E MAIL- CAASHOKMODI@GMAIL.COM

CA ASHOK MODI
B.COM, FCA


**Share Capital Built up Certificate in case of scheme of arrangement of the transferor company- Fibcorp Polyweave Private Limited (Unlisted Entity):**

To,
The Board of Directors
Fibcorp Polyweave Private Limited
E 260-261, Mewar Industrial Area
Madri Udaipur-313003

We, A. Modi & Co., Independent Chartered Accountants, have received a request from the Company to verify and certify the Share Capital Built up of the Transferor Company i.e. Fibcorp Polyweave Private Limited

| Date of Issue | No. of shares issued | Issue Price (Rs.) | Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.) | Cumulative capital (No of shares) | Whether listed, if not listed, give reasons thereof |
|---|---|---|---|---|---|
| At the time of incorporation | 1000 | 100 | Subscription to MoA | 1000 | Not listed as the Company is unlisted company |
| January 1,2018 | 27000 | 100 | Preferential Issue | 28000 | Not listed as the Company is unlisted company |
| February 8,2018 | 12000 | 375 | Preferential Issue | 40000 | Not listed as the Company is unlisted company |
| March 14,2020 | 11365 | 1100 | Preferential Issue | 51365 | Not listed as the Company is unlisted company |
| October 09,2020 | 9065 | 1655 | Preferential Issue | 60430 | Not listed as the Company is unlisted company |
| January 5,2023 | 6000 | 1655 | Preferential Issue | 66430 | Not listed as the Company is unlisted company |

**This is to certify that the above-mentioned information is true to the best of my knowledge and belief, according to the books and documents produced before me for verification.**

Yours Faithfully

For **A. Modi & Co.**
Chartered Accountants
ICAI Firm Registration No. 005753C




Ashok Modi
Proprietor
Membership No. 074488
Place: Udaipur
UDIN: 23074488BGXUQD4333
Date: 06.10.2023

November 21, 2024

To,
The Board of Directors
**Fibcorp Polyweave Private Limited**
E-260-261 Mewar Industrial,
Madri, Udaipur, Rajasthan-313003

To,
The Board of Directors
**Sah Polymers Limited**
E-260-261 Mewar Industrial,
Madri, Udaipur, Rajasthan-313003

**Sub: Certificate on adequacy and accuracy of disclosures made in Abridged Prospectus pertaining to Fibcorp Polyweave Private Limited in compliance with the requirements of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Reg: Amalgamation of Fibcorp Polyweave Private Limited (hereinafter referred to as the "Transferor Company" or "FPPL") into and with Sah Polymers Limited (hereinafter referred to as the "Transferee Company" or "SPL") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.**

We, Expert Global Consultant Private Limited, have been appointed for the purpose of certifying the adequacy and accuracy of disclosure of information pertaining to amalgamation of "FPPL" into and with "SPL" and their respective Shareholders under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules made thereunder.

**Regulatory Requirement**

SEBI vide its Master circular no SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024 **("SEBI Circular")** prescribed requirements to be fulfilled by the listed entities when they propose a Scheme of Arrangement. The SEBI Circular, amongst other things, provides that in the event a listed entity enters into a Scheme of Arrangements with the unlisted entity, the listed entity shall disclose to its shareholders applicable information pertaining to the unlisted entity in the format specified in the aforesaid circular.

We, Expert Global Consultant Private Limited, the Merchant Banker to the above-mentioned offer, state and confirm that:

- We have examined various documents including those relating to outstanding litigations, claims and regulatory actions and other materials in connection with finalization of disclosure of information pertaining to FPPL ("Abridged Prospectus") which will be circulated to the members at the time of seeking their consent to the proposed Scheme of amalgamation of FPPL into and with SPL as a part of explanatory statement to the notice.
- On the basis of such examination and the discussions with the management of FPPL, its directors, other officers, other agencies and on independent verification of statement concerning the objects of scheme of amalgamation and the contents of document and other papers furnished to us; we state that:
    - ❖ The Abridged Prospectus is in conformity with the documents, materials and papers relevant to the Scheme of amalgamation and contains applicable information (as prescribed in the

EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED DELHI

format for abridged prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements), 2018).

- ❖ The Abridged Prospectus contains applicable information pertaining to as required in terms of SEBI Circulars which, in our view are fair, adequate and accurate to enable the members to make a well-informed decision on the proposed Scheme of amalgamation of FPPL into and with SPL.

**Disclaimer and Limitations**

- This certificate is a specific purpose certificate issued in terms and in compliance with SEBI Circular and hence it should not be used for any other purpose or transaction.
- We have also availed undertakings/representations/affirmations from FPPL and its directors for various disclosures made in the Abridged Prospectus.
- This certificate is issued on the basis of examination of information and documents provided by FPPL and information which is available in the public domain and wherever required, the appropriate representation from FPPL has also been obtained.
- We shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use or reliance on the information set out in the report.
- Our opinions are not and should not be constructed as our opining or certifying the compliance of the proposed Scheme of amalgamation with the provision of any law including companies, taxation, capital market, related law or as regards any legal implications or issues arising thereon, in their respective jurisdiction.
- The above confirmation is based upon the information furnished and explanations provided to us by the management of the FPPL assuming the same is complete and accurate in all aspects on an as in basis. We have relied upon the financials, information and representation furnished to us on an as is basis and have not carried out an audit of such information. Our scope of work does not constitute an audit of financial information and accordingly we are unable to and do not express an opinion on the fairness of any financial information referred in the Abridged Prospectus.

For **Expert Global Consultants Private Limited**
**SEBI registered Category – 1 Merchant Banker**
**SEBI Registration No. INM000012874**




**Harish Gupta**
**Director**
**DIN: 03291195**

Place: Delhi
Date: November 21, 2024

**DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION PERTAINING TO THE UNLISTED COMPANY INVOLVED IN THE SCHEME IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS**

This is an abridged prospectus dated 21st November , 2024 (Abridged Prospectus /Disclosure Document) has been prepared solely in connection with the proposed scheme of amalgamation to comply with the requirements of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the requirement of SEBI Master Circular No. SEBI/HO/CFD /POD-1/ P/CIR/2024/0154 dated November 11,2024 , as amended from time to time under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 for amalgamation of Fibcorp Polyweave Private Limited ("Transferor Company"/"FPPL")) into and with Sah Polymers Limited ("Company" or "Transferee Company"/"SPL") and their respective shareholders (hereinafter referred as to the "Scheme").

This disclosure document contains the applicable information (as prescribed in the format for abridged prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements), 2018, pertaining to **Fibcorp Polyweave Private Limited** (hereinafter referred to as **"FPPL"**), being an unlisted company in the Scheme, and the Notice & the Explanatory Statement sent to the shareholders of the Transferee Company.
This Disclosure Document should not be considered as an invitation or an offer of any securities by or on behalf of SPL or FPPL.

**THIS ABRIDGED PROSPECTUS CONSISTS OF 'Eleven (11)' PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

**FIBCORP POLYWEAVE PRIVATE LIMITED**
**CIN:** U17309RJ2017PTC058691
**Date of Incorporation: 31st JULY 2017**

| Registered Office | Corporate Office | Contact Person | Email and Telephone | Website |
|---|---|---|---|---|
| E 260-261, Mewar Industrial Area, Madri, Udaipur, Rajasthan 313003. | NA | Mr. Murtaza Ali Moti Director | Info.fibcorp.com<br>+91 9636477836 | www.fibcorpp.com |

**NAMES OF PROMOTER(S) OF FPPL**

Corporate Promoter: **SAH POLYMERS LIMITED "SPL"**

**Details of Offer to Public:** NA *

| Type of Issue (Fresh/ OFS/ Fresh & OFS) | Fresh Issue Size (by no. of shares or by amount in Rs) | OFS Size (by no. of shares or by amount in Rs) | Total Issue Size (by no. of shares or by amount in Rs) | Issue Under 6(1)/ 6(2) | Share Reservation | | |
|---|---|---|---|---|---|---|---|
| | | | | | QIB | NII | RII |

Fibcorp Polyweave Private Limited UDAIPUR

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | | | | |

*NA: Not Applicable as FPPL is not offering any securities/equity shares and no investment by the public is being made in FPPL, pursuant to the Scheme.

**Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders** (*upto a maximum of 10 selling shareholders): NA**

| Name | Type | No of Shares offered/ Amount in Rs | WACA in Rs per Equity | Name | Type | No of Shares offered/ Amount in Rs | WACA in Rs per Equity |
|---|---|---|---|---|---|---|---|
| | | | | | | | |

*NA: Not Applicable as FPPL does not offer or transfer any securities/equity shares and no investment by the public is made in FPPL, pursuant to the Scheme.

| **Price Band, Minimum Bid Lot & Indicative Timelines:** NA* | |
|---|---|
| Price Band | NA |
| Minimum Bid Lot Size | NA |
| Bid/Offer Open On | NA |
| Bid/Closes Open On | NA |
| Finalization of Basis of Allotment | NA |
| Initiation of Refunds | NA |
| Credit of Equity Shares to Demat accounts of Allottees | NA |
| Commencement of trading of Equity Shares | NA |

*NA: Not Applicable as FPPL does not offer or transfer any securities/equity shares and no investment by the public is made in FPPL, pursuant to the Scheme.

**Details of WACA of all shares transacted over the trailing eighteen months from the date of Abridged Prospectus:** NA*

| Period | Weighted Average Cost of Acquisition (in ₹) | Upper End of the Price Band is 'X' times the WACA | Range of acquisition price Lowest Price-Highest Price (in ₹) |
|---|---|---|---|
| | | | |

*NA: Not Applicable as FPPL is not offering any securities/equity shares and no investment by the public is being made in FPPL, pursuant to the Scheme.

| RISKS IN RELATION TO THE FIRST OFFER |
|---|
| Not Applicable as FPPL is an unlisted company and is not offering any securities/ equity shares through an initial public offer to the public at large, pursuant to the Scheme. |

| GENERAL RISK |
|---|
| Not Applicable as FPPL is an unlisted company and is not offering any securities/ equity shares through an initial public offer to the public at large, pursuant to the Scheme. |

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## PROCEDURE

The Board of Directors of Fibcorp Polyweave Private Limited (hereinafter called as Transferor Company) and Sah Polymers Limited (hereinafter called as Transferee Company) in their respective meetings held on 25th September 2023 and on 18th October 2023 (as amended) approved a scheme of Amalgamation ("Scheme').

The scheme of Amalgamation between Sah Polymers Limited ("SPL / Transferee Company"), Fibcorp Polyweave Private Limited ("FPPL/ Transferor Company") and their shareholders provides for the Amalgamation of FPPL with and into SPL and consequent issue of Equity Shares by SPL to the shareholders of FPPL and that upon the coming into effect of this Scheme and with effect from the Appointed Date, the Undertaking (as defined in the Scheme) of the FPPL respectively shall be transferred to and vested in the SPL as a going concern without any further act, instrument or deed so as to become, as and from the Appointed Date, the undertakings of the SPL by virtue of and in the manner provided in this Scheme in accordance with the terms of the Scheme, under Sections 230 to 232 and other applicable provisions ofthe Companies Act, 2013 ("the Act"). The Scheme also provides for various other matters consequent and incidental thereto.

The scheme is further subject to approval from the shareholders and creditors of aforesaid companies, National Company Law Tribunal (NCLT) and other statutory/regulatory authorities, as may be applicable.

## DETAILS OF THE SCHEME

The Scheme provides for the following which shall be deemed to have occurred on the Effective Date as defined in the Scheme:

1. The Undertaking (as defined in the Scheme) of the Transferor Company ('FPPL') shall be transferred and vested into and with the Transferee Company ('SPL') and the consequential alteration of authorised share capital clause in the Memorandum of Association of Transferee Company ('SPL') ('Amalgamation");

2. In consideration of the amalgamation of the Undertaking in the Transferee Company ('SPL'), the issuance of equity shares by SPL to all the Equity shareholders of Transferor Company ('FPPL') (other than SPL) in accordance with the Share Exchange Ratio (as defined in the Scheme clause 12.1), as on the Record Date (as defined in the Scheme) in the following manner:
   "494 (Four Hundred Ninety-Four) Equity Shares of INR 10/- each credited as fully paid-up of the SPL for every 10 (Ten) Equity Share of INR 100/- each fully paid-up held by such Equity Shareholder in the FPPL."

3. The Transferor Company ('FPPL') shall be dissolved without winding up ('Amalgamated').

4. Upon the Scheme becoming effective, the Equity shares of Transferor Company ('FPPL') held by Transferee Company ('SPL') on the Effective Date, shall stand cancelled in its entirety.

The equity shares, which will be issued by SPL pursuant to the Scheme, are proposed to be listed on National Stock Exchange of India Limited and BSE Limited.

Effective Date: April 01, 2023.

Note: The above details of the Scheme have been extracted from the Scheme.

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| PRICE INFORMATION OF BRLM's* | | | | |
|---|---|---|---|---|
| **Issue Name** | **Name of Merchant Banker** | **+/- % change in closing price, (+/- % change in closing benchmark)- 30th calendar days from listing** | **+/- % change in closing price, (+/- % change in closing benchmark)- 90th calendar days from listing** | **+/- % change in closing price, (+/- % change in closing benchmark) - 180th calendar days from listing** |
| Not Applicable | | | | |

* Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each Merchant Banker with common issues disclosed once.

| | |
|---|---|
| **Name of BRLM and contact details (telephone and email id) of each BRLM** | NA |
| Name of Syndicate Members | NA |

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included

| | |
|---|---|
| **Name of Registrar to the Issue and contact details (telephone and email id)** | NA |
| **Name of Statutory Auditor** | **Ajay Paliwal & Co., Chartered Accountants**<br>418, Teachers Colony,<br>Ambamata Scheme<br>Udaipur-313001<br>**Email:** ajayhpaliwal@gmail.com<br>**Contact Person: Mr.** Ajay Paliwal<br>**Firm Registration No.:** 012345C<br>**Membership No.:** 403290 |
| **Name of Credit Rating Agency and the rating or grading obtained, if any** | NA |
| **Name of Debenture trustee, if any.** | NA |
| **Self-Certified Syndicate Banks** | NA |
| **Non-Syndicate Registered Brokers** | NA |
| **Details regarding website address(es)/ link(s) from which the investor can obtain list of registrars to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)** | NA |

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| PROMOTERS OF THE ISSUER COMPANY | | | |
|---|---|---|---|
| **Sr. No.** | **Name** | **Individual/ Corporate** | **Experience & Educational Qualification** |
| 1. | Sah Polymers Limited | Corporate | **Sah Polymers Limited** ("SPL" or "Transferee Company" or "Company") bearing CIN L24201RJ1992PLC006657 was incorporated under the provisions of the Companies Act, 1956 on 20th April, 1992 as a Public Limited Company under the name and style of "Peacock Continental Limited" with the Registrar of Companies, Jaipur. Thereafter, the name of Transferee Company was changed to its present name i.e. "Sah Polymers Limited" and in this regard, a fresh certificate of incorporation was issued by Registrar of Companies, Jaipur Rajasthan on 24th July, 1998. At present, the registered office of the Transferee Company is situated at E 260-261, Mewar Industrial area Madri, Udaipur-313003, Rajasthan, within the jurisdiction of this Hon'ble Tribunal.<br><br>The equity shares of the Transferee Company/ Applicant Company No. 2 are listed on BSE Limited and National Stock Exchange of India Limited.<br><br>The Company is engaged in business of manufacturing and selling of Polypropylene (PP)/ High Density Polyethylene (HDPE) FIBC Bags, Woven Sacks, HDPE/PP woven fabrics, woven polymer-based products of different weight, sizes and colours as per customers specification. The Transferee Company offers vide range of bags of different sizes for varied applications. The Transferee Company is a Del Credere Associate cum Consignment Stockist (DCA/ CS) of Indian Oil Corporation Limited and also operates as Dealer Operated Polymer Warehouse (DOPW) of Indian Oil Corporation Limited for their polymer division.<br><br>The Company holds 33,884 (Thirty-Three Thousand Eight Hundred Eighty-Four only) Equity Shares of Rs. 100/- each constituting 51.01% (Fifty-One and decimal Zero One percent) of the Equity Share capital of the FPPL Company.<br><br>**Board of Directors:**<br><br>**Mr. Asad Daud,** aged 33 years, is the Non- Executive Director of the company. He is associated with the company since April 3, 2009. He holds a Masters of Science degree in field of Accounting & Finance from The London School of Economics and Political Science. He possesses more than 12 years of experience in the polymer packaging Industry.<br><br>**Mr. Murtaza Ali Moti**, aged 40 years is the Whole Time Director of the Company. He is a Chartered Accountant and Chartered Financial Analyst. He has very vide and rich experience of 16 years in the field of finance, accounts and risk analysis.<br><br>**Mr. Hakim Sadiq Ali Tidiwala**, aged 67 years, is Whole Time Director of the Company. He has been associated with the Company since August 1, 1998. He possesses more than 33 years of |

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| | | | |
|---|---|---|---|
| | | | experience in the polymer packaging Industry. He looks after the general management and administration of the Company and brings about innovation through creation of new capacities, development of products, exploring and evaluating ways of penetrating existing markets and developing new markets in India and abroad.<br><br>**Mr. Ramesh Chandra Soni**, aged 64 years, is an Independent Director of our Company. He has been appointed as non-executive director in the Company on April 03, 2009. He is a Fellow Member of the Institute of Chartered Accountants of India. He is a practicing-chartered accountant and possesses more than 35 years of Experience in the field of accounts, finance, banking, taxation.<br><br>**Mr. Sanjay Suthar**, aged 30 years, is an Independent Director of the Company. He holds Masters of Commerce degree from Mohanlal Sukhadia University, Udaipur. He has an overall experience of 8 years in the field of finance and accounts.<br><br>**Mr. Nikhil Khanderao Raut**, aged 32 years, is an Independent Director of the Company. He holds Bachelor of Commerce degree from University of Mumbai. He has an overall experience of 9 years in the field of Finance and Accounts.<br><br>**Ms. Asha Jain**, aged 52 years, is an Independent Director of the Company. She is having a rich knowledge of more than 20 years in the field of accounts, finance, taxation. |

## BUSINESS OVERVIEW AND STRATEGY

**Company Overview:** FPPL (CIN: U17309RJ2017PTC058691) is a Private Limited Company, incorporated on 31st July, 2017 under the provisions of the Companies Act, 2013. The Registered Office of the FPPL is situated at E-260-261, Mewar Industrial Area, Madri, Udaipur, Rajasthan - 313003.

**FPPL is a subsidiary Company of SPL**

**Product/Service Offering:** Business of manufacturing of Flexible Intermediate Bulk containers (FIBC), HDPE/PP fabrics and sacks etc.

**Geographies Served:** India and outside India

**Following is the Revenue earned Geographically as on 30.09.2024**

| Geographical | % of Revenue |
|---|---|
| Within India | 73.67 |
| Outside India | 26.33 |

### Key Performance Indicators

The following table sets forth certain Key Performance Indicators for the periods indicated:

₹ in lakhs except percentages and ratios

| Key Performance Indicators | Audited 30-09-2024 | Audited 31-03-2024 | Audited 31-03-2023 | Audited 31-03-2022 |
|---|---|---|---|---|
| Revenue from Operations | 1503.92 | 3324.07 | 3969.25 | 3408.29 |
| EBITDA | 49.33 | 117.41 | 123.72 | 172.96 |
| EBITDA Margin | 3.28% | 3.53% | 3.12% | 5.07% |
| Profit After Tax for the Year / Period | 2.10 | 26.16 | 72.79 | 142.75 |
| PAT Margin | 0.1% | 0.8% | 1.8% | 4.2% |

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| | | | | |
|---|---|---|---|---|
| ROE | 2.40% | 4.15% | 12.05% | 26.88% |
| ROCE | 7.22% | 8.66% | 8.06% | 20.27% |
| Debt / Equity | 0.90 | 0.72 | 0.97 | 0.32 |

**Intellectual Property, if any:**

- FPPL has a trademark certificate in respect of goods under classes 19, 22, 24 and 35 and company with logo under the Trade Marks Act, 1999.
- FPPL have filed a copyright application for the company Mark under Copyright Act 1957.

**Market Share: NA**

**Manufacturing plant, if any:** Our manufacturing plant is situated at:

G-1, 202-203, RIICO INDUSTRIAL AREA, KALADWAS, Udaipur, Rajasthan, 313003

**Employee Strength:** 16 no. of Employees as on 30th September 2024

**BOARD OF DIRECTORS**

| Sr. No | Name | *Designation (Independent / Wholetime /Executive / Nominee)* | Experience & Educational Qualification | Other Directorship |
|---|---|---|---|---|
| 1. | Murtaza Ali Moti | Director | Education: Having Professional degree of Chartered Accountant, Chartered Financial Analyst & Financial Risk Manager.<br><br>Experience : With an extensive background spanning over 18 years, he held positions at ICICI Bank, Ernst & Young, and the Sovereign Wealth Fund of Abu Dhabi.<br>He joined the Board of FPPL since Incorporation i.e 31.07.2017.<br>He currently serves as a Whole Time Director of Sah Polymers. | **Indian Companies:** Sah Polymers Limited<br><br>**Foreign Companies:** NIL |
| 2. | Harikant Ganesh Lal Turgalia | Director | Education: Holding a bachelor's degree in commerce from the University of Udaipur<br><br>Experience: With experience exceeding 36 years across manufacturing, trading, and finance, Mr. Harikant Turgalia spearheads financial and management responsibilities at SAT Industries., his extensive knowledge has been crucial in steering the Company towards many triumphs.<br><br>He joined the Board of FPPL on January 04, 2022 | **Indian Companies:** Sat Industries Limited<br>Aeroflex Industries Limited<br><br>**Foreign Companies:** NIL |

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| | | | | |
|---|---|---|---|---|
| 3. | Sanjay Suthar | Director | Education: Master's degree in commerce from Mohanlal Sukhadia University, Udaipur<br><br>Experience : He is having nine years of experience in accounts and finance contribute to the company's financial acumen and strategic vision.<br>He joined the Board of FPPL on February 20, 2023. | **Indian Companies:** Sah Polymers Limited<br><br>**Foreign Companies:** NIL |
| 4. | Fatima Moti | Director | Education: Holding master's degree in business administration.<br><br>Experience :She is having knowledge in accounts, finance and taxation.<br>She joined the Board since incorporation i.e. July 31, 2017 | **Indian Companies:** Nil<br>**Foreign Companies:** NIL |

**Object Pursuant to the Scheme**

**Commercial rationale for amalgamation of the Transferor Company with the Transferee Company:**

The Transferor Company is a subsidiary of the Transferee Company and is under the management of the Transferee Company.

The Transferor Company and the Transferee Company are engaged in the business of manufacture and sale of Flexible Intermediate Bulk containers (FIBC), HDPE/PP fabrics and sacks etc. The amalgamation will ensure focused management in the combined entity thereby resulting in efficiency of management and maximizing value for the shareholders. Such restructuring will lead to simplification of group structure by eliminating multiple companies in similar business.

The proposed amalgamation of the Transferor Company with the Transferee Company in accordance with the terms of this Scheme would enable both the Companies to realize benefits of greater synergies between their businesses, yield beneficial results and pool financial resources as well as managerial, technical, distribution and marketing resources of each other in the interest of maximizing value to their Shareholders and the Stakeholders.

**Details of means of finance** –: Not Applicable

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issues, if any, of the Company in the preceding 10 years** –: Not Applicable

**Name of monitoring agency, if any**-: Not Applicable

**Terms of Issuance of Convertible Security, if any**-: Not Applicable

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**Shareholding Pattern of Fibcorp Polyweave Private Limited:**

| Sr. No. | Category of shareholder | Pre-Issue number of shares (Number of fully paid-up Equity Shares held) | % Holding of Pre-Issue (Shareholding as a % of total number of shares) |
|---|---|---|---|
| 1. | Promoter | 33884 | 51.01% |
| 2. | Public | 32546 | 48.99% |
| | **Total** | 66430 | 100.00% |

**Number/amount of equity shares proposed to be sold by selling shareholders, if any: NA**

**RESTATED AUDITED FINANCIALS OF FIBCORP POLYWEAVE PRIVATE LIMITED:**

(₹ in lakhs)

| Particulars | For the period ended September 30, 2024 | For the year ended on | | |
|---|---|---|---|---|
| | | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Total income from operations (net) | 1503.92 | 3324.07 | 3969.25 | 3408.28 |
| Net Profit / (Loss) before tax and extraordinary items | 15.23 | 51.26 | 101.89 | 142.74 |
| Net Profit / (Loss) after tax and extraordinary items | 2.10 | 26.16 | 72.79 | 142.74 |
| Equity Share Capital | 66.43 | 66.43 | 66.43 | 66.43 |
| Reserves and Surplus | 565.66 | 563.57 | 537.41 | 464.62 |
| Net worth | 632.09 | 630 | 603.84 | 531.05 |
| Basic & Diluted earnings per share (₹.) | 3.15 | 39.38 | 109.58 | 196.55 |
| Return on net worth (%) | 0.33% | 4.15% | 12.05% | 26.88% |
| Net Asset Value Per Share (₹) | 951.51 | 948.36 | 908.98 | 799.41 |

## INTERNAL RISK FACTORS

The below mentioned are the key risk factors identified by the Company:

1. Any disruption to the operations of the manufacturing and other facilities of the Company could materially and adversely affect the business, financial condition, and results of the operations of the Company.
2. The Company relies on the skill and experience of its management team and other key personnel and the loss of any of these team members or the inability to attract and retain qualified personnel could have a material adverse effect on its business operations.
3. The Company's reliance on third parties for certain aspects of its business, including contract labour /job work, transportation and logistics exposes the Company to certain risks.
4. The Company extends significant credit limits to its customers and is subject to counterparty credit risk. Any deterioration in such customers' financial position and their ability to pay or the Company's inability to extend credit in line with market practice may adversely impact the Company's profitability.
5. The Company does not have any long-term customer agreement and the business is driven by purchase orders. If the customers choose not to source their requirements from the Company, there may be a material adverse effect on the business and results of operations.
6. The manufacturing unit is a more power intensive unit, hence if there is any upcoming power crisis due to the

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volatility in power demand or due to a change in government policies, the same may severely impact the operations of the Company.

7. Pursuant to the Scheme, all assets and liabilities (including but not limited to movable properties, contingent liabilities, duties and obligations, statutory licenses, repatriation and taxes payable) of FPPL are being transferred to SPL. There may be potential risk regarding business, financials, tax, and regulatory matters in FPPL which may have an adverse impact on SPL.

## SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against /initiated and amount involved: One

| Name of Entity | Criminal Proceedings | Tax Proceedings | Statutory or Regulatory Proceedings | Disciplinary actions by the SEBI orStock Exchanges against our Promoters | Material Civil Litigations | Aggregate amount involved (₹ in Lakhs) |
|---|---|---|---|---|---|---|
| **Company** | | | | | | |
| By the Company | - | - | - | - | - | - |
| Against the Company | - | 1 | - | - | - | 7.69 |
| **Directors** | | | | | | |
| By our Directors | - | - | - | - | - | - |
| Against the Directors | - | - | - | - | - | - |
| **Promoters** | | | | | | |
| By Promoters | - | - | - | - | - | - |
| Against Promoters | - | - | - | - | - | - |
| **Subsidiaries** | | | | | | |
| By Subsidiaries | - | - | - | - | - | - |
| Against Subsidiaries | - | - | - | - | - | - |

B. Brief details of top 5 material outstanding litigations against/initiated by the company and amount involved:

| Sr. No. | Particulars of matter | Litigation filed by | Current status | Amount involved |
|---|---|---|---|---|
| 1 | Income tax Demand (Assessment year – 2022-23 | Company (FPPL) to CIT (Appeals) | Appeal filed against demand order is **pending**. | ₹ 7,68,600/- (Net of Deposit) |

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action: Nil

D. Brief details of outstanding criminal proceedings against Promoters: Nil

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| ANY OTHER IMPORTANT INFORMATION AS PER BRLM / FIBCORP POLYWEAVE PRIVATE LIMITED |
|---|
| NIL |

| DECLARATION BY FIBCORP POLYWEAVE PRIVATE LIMITED |
|---|
| We hereby declare that all the relevant provisions of the Companies Act, 2013 and the guidelines/ regulations issued by the Government of India or the guidelines / regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in the Abridged Prospectus are true and correct. |

For **FIBCORP POLYWEAVE PRIVATE LIMITED**

Murtaza Ali Moti
Director
DIN: 07876224
Date: 21.11.2024
Place: Udaipur

**AJAY PALIWAL & CO**
CHARTERED ACCOUNTANTS
418, TEACHERS COLONY, AMBAMATA SCHEME, UDAIPUR- 313 001
TEL- 0294 2430466, E Mail-ajayhpaliwal@gmail.com

## INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF FIBCORP POLYWEAVE PRIVATE LIMITED

### Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of **FIBCORP POLYWEAVE PRIVATE LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as

a whole, and in forming our opinion there on, and we do not provide a separate opinion on these matters.

On the facts and circumstances of the company and the audit, we determine that there are no key Audit matters to communicate.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do notexpress any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibilities for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act withrespect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity andcash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidatethe Company or to cease operations, or has no realistic alternative

but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statementsas a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up tothe date of our auditor's report. However, future events or conditions may cause the Company to ceas

to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences ofdoing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company sofar as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specifiedunder Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with therequirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance withthe provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position inits standalone financial statements - Nil

ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

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Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that theCompany shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

© Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under and (b) above, contain any material misstatement.

(v) The Company has neither proposed nor paid any dividend during the year.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For M/s AJAY PALIWAL& CO.
Chartered Accountants
Firm Reg. No.012345C

(AJAY PALIWAL )
Proprietor
Membership No. 403290
Place: UDAIPUR
Date: 05-05-2023
UDIN: 23403290BGXWBV2966

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of FIBCORP POLYWEAVE PRIVATE LIMITED)**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub- section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls over financial reporting of **FIBCORP POLYWEAVE PRIVATE LIMITED** (the "Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend

on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

AJAY PALIWAL & CO UDAIPUR Chartered Accountants

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**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For M/s AJAY PALIWAL & CO.
Chartered Accountants
Firm Reg. No.012345C

(AJAY PALIWAL )
Proprietor
Membership No. 403290
Place: UDAIPUR
Date: 05-05-2023
UDIN: 23403290BGXWBV2966

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## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of FIBCORP POLYWEAVE PRIVATE LIMITED of even date)**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not have any intangible assets.

(b) As explained to us, all the Property, Plant and Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.

(c) According to information's and explanations given by the management, the title deeds of immovable properties (except the rented property) included in property, plant and equipment are held in the names of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment and other assets.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) As explained to us that the inventory has been physically verified during the year by management. In our opinion the frequency of verification is reasonable and the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business;and the company is maintaining proper records of inventory, no material discrepancies were noticed on physical verification of the inventory.

(b) During the year the Company has not been availing working capital in excess of Rs. 5 crore during the year on the basis of security of current assets and the quarterly returns or statements filed by the company with financial institutions or banks in agreement with the books of account of the Company.

(iii) During the year the Company has not made investments in but has granted unsecured loans to companies, firms, Limited Liability Partnerships or other parties but has not stood guarantee or provided security to any other entity .

a) During the year the Company has provided loans or provided advances in the nature of

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loans but has not stood guarantee or provided security to any other entity –

(A) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances to subsidiaries, joint ventures and associates; ---NIL

(B) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances to parties other than subsidiaries, joint ventures and associates;

| | Aggregate amount during the year<br>Rs. In lakhs | Amount outstanding as on 31/03/2023<br>Rs. In lakhs |
|---|---|---|
| (A) Subsidiaries, joint venture and associates | | |
| (B) Others | 3.78 | 0.75 |

(b) The Company has neither provided guarantees nor given security. The investments made are not prejudicial to the interest of the Company. Further the terms and conditions of the grant of all loans and advances in the nature of loans are not prejudicial to the Company's interest.

(c) in respect of loans and advances in the nature of loans, no schedule of repayment of principal and payment of interest has been stipulated.

(d) In respect of aforesaid loans, there is no amount overdue for more than ninety days.

(e) During the year no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;

(f) During the year the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 are as under;

| Aggregate amount (Rs. In lakhs) | % of the total loans granted | Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 ( Rs. In lakhs) |
|---|---|---|
| 3.78 | 100% | NIL |

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iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi) The maintenance of cost records has not been specified by the Central Government under sub- section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company. In respect of statutory dues:

vii) (a)In our opinion, the Company has been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the company examined by us, in our opinion, there are no statutory dues referred to in sub clause (a) have not been deposited as on as account of disputes.

viii) there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix) (a) The Company has not defaulted in repayment of dues to a financial institution, bank.

(b)The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority

(c)The Company has not taken any term loan during the year.

(d)On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e)The Company does not have any subsidiary, associate and joint venture hence, reporting under clause 3(ix)(e) and (f) of the Order are not applicable.

x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of theOrder is not applicable.

(a) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting underclause 3(x)(b) of the Order is not applicable.

xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in

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Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) No whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing andextent of our audit procedures.

xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable

xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of theCompanies Act, 2013 are not applicable to the Company.

xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

Xviii) During the year there has been no resignation of statutory auditors.

xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit reportindicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We furtherstate that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) The Company does not qualify under the provisions of section 135 of the Companies Act, 2013 accordingly reporting under clause 20 (a) and (b) of the order is not applicable.

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xxi ) Clause xxi of CARO ,2020 is not applicable as this audit report is relating to standalone financial statements.

For M/s AJAY PALIWAL& CO.
Chartered Accountants
Firm Reg. No.012345C

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

(AJAY PALIWAL )
Proprietor
Membership No. 403290
Place: UDAIPUR
Date: 05-05-2023
UDIN: 23403290BGXWBV2966

## FIBCORP POLYWEAVE PRIVATE LIMITED

### BALANCE SHEET FOR THE YEAR ENDED ON 31.03.2023

| Particulars | Note | Year Ended "Amount in Lacs" 31-03-2023 | Year Ended "Amount in Lacs" 31-03-2022 |
|---|---|---|---|
| **ASSETS** | | | |
| (1) **Non-current assets** | | | |
| (a) Property, Plant and Equipment | 3 | 94.48 | 119.36 |
| (b) Capital work -in- Progress | 3 | - | - |
| (h) Financial Assets | | | |
| (i) Loans | | - | - |
| (ii) Others | 4 | 7.66 | 7.36 |
| (i) Deferred tax assets (net) | 5 | 11.83 | 2.35 |
| (j) Other non-current assets | 6 | - | 14.39 |
| (2) **Current assets** | | | |
| (a) Inventories | 7 | 767.44 | 496.02 |
| (b) Financial Assets | | | |
| (i) Investments | | - | - |
| (ii) Trade receivables | 8 | 557.13 | 195.84 |
| (iii) Cash and cash equivalents | 9 | 11.31 | 61.63 |
| (iv) Bank balances other than (iii) above | | - | - |
| (v) Loans | 10 | 0.75 | 0.88 |
| (vi) Others | | - | - |
| (c) Current Tax Assets | 11 | - | 1.62 |
| (d) Other current assets | 12 | 74.36 | 51.46 |
| **Total Assets** | | **1,524.97** | **950.92** |
| **EQUITY** | | | |
| (a) Equity Share Capital | 13 | 66.43 | 66.43 |
| (b) Other Equity | 14 | 537.41 | 464.62 |
| **LIABILITIES** | | | |
| (1) **Non-current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 15 | - | 14.04 |
| (ia) Lease liabilities | | - | - |
| (ii) Trade payables : | | - | - |
| (2) **Current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 16 | 586.48 | 158.86 |
| (ia) Lease liabilities | | - | - |
| (ii) Trade payables : | | | |
| (A)Total outstanding dues of micro enterprises and small enterprises | | - | - |
| (B)Total outstanding dues of creditors other than micro enterprises and small enterprises | 17 | 259.97 | 234.53 |
| (i) Other financial liabilities(other than those specified in item(c) | | - | - |
| (b) Other current liabilities | 18 | 46.38 | 12.44 |
| (c) Provisions | 19 | 14.37 | - |
| (d) Current Tax Liabilities | 20 | 13.93 | - |
| **Total Equity and Liabilities** | | **1,524.97** | **950.92** |

See accompanying notes to the financial statements 1 to 55

As per our Audit report of even date attached.

for and on behalf of
AJAY PALIWAL & CO.,
Chartered Accountants
FRN : 012345C

AJAY PALIWAL
Proprietor
M.No. 403290
Udaipur. May 5 ,2023
UDIN: 23403290BGXWBV2966

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

for and on behalf of the Board

Murtaza Ali Moti
Director
DIN No: 07876224

Fatima Moti
Director
DIN No: 07876195

## FIBCORP POLYWEAVE PRIVATE LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2023

| | Particulars | Note | Year Ended 31.03.2023 Amount in Lacs | Year Ended 31.03.2022 Amount in Lacs |
|---|---|---|---|---|
| I | Revenue from operations | 21 | 3,969.25 | 3,408.29 |
| II | Other income | 22 | 41.34 | 21.32 |
| III | Total Income (I+II) | | **4,010.59** | **3,429.61** |
| IV. | Expenses : | | | |
| | Cost of Materials consumed | 23 | 2,784.18 | 2,396.42 |
| | Purchases of Stock-in-Trade | | - | - |
| | Changes in inventories of finished goods | 24 | (83.62) | 1.92 |
| | Work-in-progress and Stock -in-Trade | | - | - |
| | Employee benefits expense | 25 | 157.48 | 128.91 |
| | Finance costs | 26 | 35.39 | 21.28 |
| | Depreciation and amortization expense | 3 | 27.78 | 30.25 |
| | Other expenses | 27 | 987.48 | 708.08 |
| | Total expenses | | **3,908.70** | **3,286.86** |
| V. | Profit before exceptional items and tax(III-IV) | | 101.89 | 142.75 |
| VI. | Exceptional items | | - | - |
| VII | Profit (loss) before tax (V-VI) | | 101.89 | 142.75 |
| VIII | Tax expense : | 28 | | |
| | (1) Current tax | | 35.95 | - |
| | (2) Deferred tax | | (6.85) | - |
| IX | Profit(loss)for the period from continuing operation (VII-VIII) | | 72.79 | 142.75 |
| X | Profit/(Loss) from discontinued operations | | - | - |
| XI | Tax expense of discontinued operations | | - | - |
| XII | Profit (loss) from discontinued operation (X-XI) | | - | - |
| XIII | Profit(loss) for the period (IX+XII) | | 72.79 | 142.75 |
| XIV | Other Comprehensive Income | | | |
| | A(i) Item that will not be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to item that will not be reclassified to profit or loss | | - | - |
| | B(i) Item that will be reclassified to profit or loss | | - | - |
| XV | (ii) Income tax relating to item that will be reclassified to profit or loss | | - | - |
| XVI | Total Comprehensive Income for the period (XIII+XIV) ( Comprising profit (loss) and other Comprehensive Income for the period ) | | 72.79 | 142.75 |
| XVII | Earnings per equity share (for continued Operation): | | | |
| | (1) Basic | 29 | 109.58 | 196.55 |
| | (2) Diluted | 29 | 109.58 | 196.55 |
| XVII | Earnings per equity share (for discontinued Operation): | | | |
| | (1) Basic | | - | - |
| | (2) Diluted | | - | - |
| XVIII | Earnings per equity share (for discontinued & continuing operations) | | | |
| | (1) Basic | 29 | 109.58 | 196.55 |
| | (2) Diluted | 29 | 109.58 | 196.55 |

See 1 to 55
acco

As per our Audit report of even date attached.

for and on behalf of
AJAY PALIWAL & CO.,
Chartered Accountants
FRN : 012346C

AJAY PALIWAL
Proprietor
M.No. 403290
Udaipur. May 5,2023
UDIN: 23403290BGXWBV2966

for and on behalf of the Board

Murtiza Ali Moti
Director
DIN No: 07876224

Fatima Moti
Director
DIN No: 07876195

## FIBCORP POLYWEAVE PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH,2023

(In lacs)

| Sr. No. | Particulars | Year ended 31.03.2023 | Year ended 31.03.2022 |
|---|---|---|---|
| A | **Cash Flow from Operating Activities** | | |
| | Net Profit before tax | 101.89 | 142.74 |
| | Adjustments for: | | - |
| | Depreciation | 27.78 | 30.25 |
| | Interest Charges | 35.39 | 20.70 |
| | Interest Received | | 0.04 |
| | Misc. Balance Written off | 3.20 | 0.90 |
| | Gratuity and leave encashment | 14.37 | |
| | Foreign Exchange gain / loss | 41.02 | 20.28 |
| | (Profit)/Loss on sale of property, plant and equipment | | |
| | **Operating Profit before working capital changes** | **223.66** | **214.91** |
| | Adjustment for Changes in Working Capital: | | |
| | Decrease/(Increase) in Trade Receivables | (400.61) | (65.73) |
| | Increase/(Decrease ) in other current liabilities | 33.94 | 9.41 |
| | Increase in non-current financial assets | (0.30) | 2.00 |
| | Increase /Decrease in Loan | 0.13 | 1.32 |
| | Increase/(Decrease) in Trade Payables | 39.38 | 7.64 |
| | Increase in other assets | (22.90) | 26.85 |
| | Increase in tax assets | 1.62 | (0.94) |
| | Decrease/(Increase) in Stock | (271.42) | (96.19) |
| | **Cash Generated from Operations** | **(396.50)** | **99.27** |
| | Income Taxes Refund / (Paid) | 29.10 | - |
| | **Net Cash Inflow /(Out Flow) from Operation (A)** | **(425.60)** | **99.27** |
| B | **Cash Flow from Investing Activities:** | | |
| | Sale of Plant & Machinery | 7.73 | 2.36 |
| | Purchase of fixed assets | (10.64) | (52.82) |
| | Interest received | - | (0.04) |
| | **Net Cash Inflow/(Outflow) from investing Activities (B)** | **(2.90)** | **(50.50)** |
| C | **Cash flow from Financing Activities** | | |
| | Net increase / (Decrease) in Short term borrowings | (14.04) | (60.88) |
| | Proceeds From shares issue | - | 99.30 |
| | Net increase / (Decrease) in Short term borrowings | 323.32 | (1.01) |
| | Interest Paid | (35.39) | (20.70) |
| | **Net Cash Inflow /(Out Flow) from Financing Activities (C)** | **273.89** | **16.71** |
| | **Net Increase/Decrease in cash & Cash equivalents (A+B+C)** | **(154.61)** | **65.48** |
| | **CASH AND CASH EQUIVALENTS** | | |
| | **As at the beginning of the year (Refer Note 9)** | | |
| | **Cash & Cash equivalents** | **61.63** | **10.28** |
| | **Cash Credit** | **137.19** | **151.32** |
| | **As at the end of the year (Refer Note 9)** | | |
| | Cash & Cash equivalents | 11.31 | 61.63 |
| | Cash Credit | 241.48 | 137.19 |
| | **Net Increase/Decrease in cash & Cash equivalents** | **(154.61)** | **65.48** |

As per our Audit report of even date attached.

Notes:-

1.The Cash Flow Statement has been prepared in accordance with the "Indirect Method"specified in the Ind-AS-7- "Statement of Cash Flows"

for and on behalf of
AJAY PALIWAL & CO.,
Chartered Accountants
FRN: 012345C

AJAY PALIWAL
Proprietor
M.No. 403290
Udaipur. May 5,2023
UDIN: 23403290BGXWBV2986

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

Murtaza Ali Moti
Director
DIN No: 07876224

Fatima Moti
Director
DIN No: 07876185

Notes to the Financial Statements

**1.Company Information**

Fibcorp Polyweave Private Limited (FPWPL) is a private limited Company domiciled in India and is incorporated under the provisions of the Companies Act,2013. FPWPL is engaged in the manufacture of PP woven Bags and sacks,with annual production capacity of 2400 MT . The manufacturing capacities are situated at Udaipur (Rajasthan). The PP Woven Bags and sacks find applications in the packing of cement, minerals, food grains etc.

**2. Significant Accounting Policies**

**Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

**Basis of Preparation**

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

**Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**Property, Plant and Equipment – Tangible Assets**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All up-gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

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The estimated useful lives of property, plant and equipment of the Company are as follows:

| | |
|---|---|
| Buildings | 30 Years |
| Plant and Equipment | 15 Years |
| Furniture and Fixtures | 10 Years |
| Vehicles | 10 Years |
| Office Equipment | 5 Years |

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

**Intangible Assets**

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant

b. for separately acquired assets, at cost comprising the purchase price (including import duties and nonrefundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licenses, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite. Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

**Impairment of Assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

**Inventories**

Inventories are stated at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

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**Foreign Currency Transactions**

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

Exchange differences arising on monetary items that, in substance, form part of the Company's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in Foreign Currency Translation Reserve.

**Financial instruments, Financial assets, Financial liabilities and Equity instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

**Financial Assets**

**Recognition:**

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:**

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

**Impairment:**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**Reclassification**: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

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**De-recognition:** Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**Income Recognition:**

Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

**Financial Liabilities**

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

**Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**Equity Instruments**

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

**Revenue**

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. The company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership/control have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

**Government Grant**

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria. Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

(a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.

(b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.

(c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

**Employee Benefits**

i) Short-term Employee benefits Liabilities for wages and salaries including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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iii) Post-Employment Benefits Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Statement of Profit and Loss as they fall due.

Defined Benefit Plans

Gratuity Fund

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/ termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 or as per the Company's scheme whichever is more beneficial to the employees.

Provident Fund

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

iv) Other Long Term Employee Benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method

Re-measurements are recognised in profit or loss in the period in which they arise. Actuarial gains and losses in respect of such benefits are charged to Statement of Profit and Loss in the period in which they arise.

**Taxes on Income**

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

**Claims**

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

**Provisions**

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

**Financial and Management Information Systems**

The Company's Accounting System is designed to comply with the relevant provisions of the Companies Act, 2013, to provide financial information appropriate to the businesses and facilitate Internal Control.

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

**Use of estimates and judgements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**A. Judgements in applying accounting policies**

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement. Certain trademarks have been considered of having an indefinite useful life taking into account that there are no technical, technological or commercial risks of obsolescence or limitations under contract or law. Other trademarks have been amortized over their useful economic life. Refer notes to the financial statements.

**B. Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**1. Useful lives of property, plant and equipment and intangible assets:**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

**2. Fair value measurements and valuation processes:**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

**3. Actuarial Valuation:**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

**4. Claims, Provisions and Contingent Liabilities:**

In the case of litigations where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

# FIBCORP POLYWEAVE PRIVATE LIMITED

For the year ended on 31-03-2023

**NOTE NO. - 3 PROPERTY**

| Particulars | Office Building | Plant and Equipment | Furniture and fixtures | Vehicles | Office Equipments | Laboratory equipment | Electrical Installations and Equipment | Computers | Total |
|---|---|---|---|---|---|---|---|---|---|
| **For Year ended March,2023** | | | | | | | | | |
| **GROSS CARRYING AMOUNT** | | | | | | | | | |
| Opening Gross Carying Amount | **8.51** | **104.21** | **24.04** | **4.69** | **12.51** | **3.00** | **30.11** | **8.17** | 195.24 |
| | - | - | - | - | - | - | - | - | - |
| Additions | - | - | 0.04 | - | 7.46 | - | 1.02 | 2.12 | 10.64 |
| Disposals/Adjustment | - | 13.84 | - | - | 7.50 | - | - | - | 21.34 |
| **Closing Gross Carrying Amount** | **8.51** | **90.37** | **24.08** | **4.69** | **12.47** | **3.00** | **31.12** | **10.30** | 184.54 |
| **ACCUMULATED DEPRECIATION** | - | - | - | - | - | - | - | - | - |
| Opening Accumulated Depreciation | **0.65** | **39.36** | **9.12** | **1.96** | **8.21** | **2.09** | **9.28** | **5.20** | 75.88 |
| Depreciation charge during the Period | 0.75 | 11.27 | 3.88 | 0.71 | 1.82 | 0.23 | 5.76 | 3.36 | 27.78 |
| Disposals/Adjusments | - | 7.44 | - | - | 6.17 | - | - | - | 13.61 |
| **Closing Accumulated Depreciation** | 1.40 | 43.19 | 13.00 | 2.67 | 3.86 | 2.33 | 15.04 | 8.57 | 90.05 |
| **Net Carrying Amount** | **7.11** | **47.18** | **11.08** | **2.02** | **8.60** | **0.67** | **16.09** | **1.73** | 94.48 |
| | | | | | | | | | |
| **For Year ended March,2022** | - | - | - | - | - | - | - | - | - |
| **GROSS CARRYING AMOUNT** | - | - | - | - | - | - | - | - | - |
| Opening Gross Carying Amount | **3.23** | **79.58** | **15.46** | **4.69** | **11.60** | **3.00** | **21.68** | **4.15** | 143.39 |
| | - | - | - | - | - | - | - | - | - |
| Additions | 5.28 | 26.99 | 8.58 | - | 0.91 | - | 8.43 | 4.02 | 54.21 |
| Disposals/Adjustment | - | 2.36 | - | - | - | - | - | - | 2.36 |
| **Closing Gross Carrying Amount** | 8.51 | 104.21 | 24.04 | 4.69 | 12.51 | 3.00 | 30.11 | 8.17 | 195.24 |
| **ACCUMULATED DEPRECIATION** | - | - | - | - | - | - | - | - | - |
| Opening Accumulated Depreciation | 0.02 | 27.97 | 4.92 | 1.01 | 4.83 | 1.78 | 2.98 | 2.12 | 45.63 |
| Depreciation charge during the year | 0.63 | 11.40 | 4.20 | 0.95 | 3.37 | 0.32 | 6.30 | 3.08 | 30.25 |
| Disposals/Adjusments | - | - | - | - | - | - | - | - | - |
| **Closing Accumulated Depreciation** | 0.65 | 39.36 | 9.12 | 1.96 | 8.21 | 2.09 | 9.28 | 5.20 | 75.88 |
| **Net Carrying Amount** | **7.85** | **64.85** | **14.92** | **2.73** | **4.30** | **0.90** | **20.83** | **2.97** | 119.36 |

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

Note 4

| OTHER NON- CURRENT FINANCIAL ASSETS | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| Security Deposits | 7.66 | | 7.36 |
| | 7.66 | | 7.36 |

Note 5

| DEFERRED TAX ASSETS | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| Deferred tax Assets- Opening | 2.27 | | 2.27 |
| Deferred-Provision | 6.85 | | |
| | 9.13 | | 2.27 |
| (b) MAT credit –Opening | 0.08 | | 0.08 |
| Addition MAT credit | 21.18 | | |
| MAT credit utilised | 18.55 | | - |
| Net MAT Credit available | 2.71 | | 0.08 |
| | 11.83 | | 2.35 |

Note 6

| OTHER NON-CURRENT ASSETS | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| **Capital Advances** | - | | 0.02 |
| | | | - |
| **Advances other than capital advances :** | | | - |
| Other Assets | - | | 14.37 |
| | - | | 14.39 |

Note 7

| INVENTORIES | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| At lower of cost and net realisable value | | | |
| Raw material | 583.85 | | 402.51 |
| Work-in-progress | 67.50 | | - |
| Finished Goods | 100.27 | | 84.15 |
| Consumable Stores and Spares | 16.02 | | 9.36 |
| | 767.44 | | 496.02 |

Note 8

| TRADE RECEIVABLE | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| (a) Trade Receivables considered good- secured | - | | - |
| (b) Trade Receivables considered good- unsecured | 557.13 | | 192.98 |
| (c)Trade Receivables which have significant increase in Credit Risk | - | | 2.87 |
| (d) Trade Receivables -Credit impaired | - | | - |
| | 557.13 | | 195.84 |
| Less: Allowance for doubtful receivables | - | | - |
| | 557.13 | | 195.84 |

Trade receivables ageing schedule as on 31-03-2023

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 Months | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 491.11 | 66.02 | - | - | - | 557.13 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables- considered good | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables- which have significant increase in credit risk | - | - | - | - | - | - |
| Total | 491.11 | 66.02 | - | - | - | 557.13 |

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Trade receivables ageing schedule as at 31st March 2022

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|
| | Less than 6 Months | 6 months- 1 year | 1-2 years | More Than 2-3 years | |
| (i) Undisputed Trade receivables – considered good | 192.98 | 0.32 | 0.17 | 2.37 | 195.84 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - |
| (v) Disputed Trade Receivables – credit impaired | - | - | - | - | - |
| (vi) Disputed Trade Receivables- which have significant increase in credit risk | - | - | - | - | - |
| Total | 192.98 | 0.32 | 0.17 | 2.37 | 195.84 |

Note 9

| CASH AND CASH EQUIVALENTS | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| (a) Balances with banks | | | |
| On Current Account | 10.65 | | 60.40 |
| (b) Cash on hand | 0.66 | | 1.23 |
| | 11.31 | | 61.63 |

Note 10

| LOANS (CURRENT) | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| (a) Loan Receivables considered good- secured | - | | - |
| (b) Loan Receivables considered good- unsecured | 0.75 | | 0.88 |
| (c) Loan Receivables which have significant increase in credit risk | - | | - |
| (d) Trade Receivables- credit impaired | - | | - |
| | 0.75 | | 0.88 |
| Less: Allowance for doubtful loans | - | | - |
| | 0.75 | | 0.88 |

No Loans or advances granted to promoters, directors , KMPS and the related parties

Note 11

| CURRENT TAX ASSETS | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| TDS/TCS receivable | 3.48 | | 1.62 |
| | 3.48 | | 1.62 |

Note 12

| OTHER CURRENT ASSETS | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| **Advances other than capital advances :** | | | |
| **Other advances :** | | | |
| GST receivable | 30.67 | | 3.80 |
| Advance to creditors | 9.00 | | 7.09 |
| -prepaid expenses | 1.06 | | 1.36 |
| -employees advances | 1.48 | | 1.61 |
| **Other Current Assets :** | | | - |
| MEIS Receivable | 31.05 | | 31.05 |
| Other Assets | 0.50 | | 6.56 |
| | 74.36 | | 51.46 |

Note 13

| SHARE CAPITAL : | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| **Authorised* :** | | | |
| 72000 (P.Y 72000) Equity Share of Rs.100/-each | 72.00 | - | 72.00 |
| | 72.00 | | 72.00 |
| **Issued,subscribed and fully paid** | | | |
| 66430 (P.Y. 66430) Equity Share of Rs.100/-each | 66.43 | - | 66.43 |
| | 66.43 | | 66.43 |

| Reconciliation of number of shares : | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| Face value per share (Rs.) | 100 | | 100 |
| Number of Equity Shares outstanding at the beginning of the reporting period | 66,430 | | 60,430 |
| No. of Equity Shares issued during the year | - | | 6,000 |
| | 66,430 | | 66,430 |
| Less : Deduction during the year | - | | - |
| Number of Equity Shares outstanding at the end of the reporting period | 66,430 | | 66,430 |

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| Name of the shareholders holding more than 5% shares in the company | | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|---|
| Name of shareholder | Class | No. of shares | % | No. of shares | % |
| Sah Polymers Limited | Equity | 33884 | 51.01 | 33884 | 51.01 |
| Fatima Moti | Equity | 4500 | 6.77 | 4500 | 6.77 |
| Murtaza Moti | Equity | 28046 | 42.22 | 28046 | 42.22 |

| Shares held by promoters at the end of the period | | | % Change during the Period | |
|---|---|---|---|---|
| Promoter name | No.of shares | % of total shares | As at 31.03.2023 | As at 31.03.2022 |
| Sah Polymers Limited | 33884 | 51.01 | 0 | 51.01 |
| Total | **33884** | **51.01** | **0** | **51.01** |

| Shares held by holding Company | | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|---|
| Name of holding Company | Class | No.of shares | % Holding | No of shares | % Holding |
| Sah Polymers Limited | Equity | 33884 | 51.01 | 33884 | 51.01 |

The Company has only one class of shares referred to as the equity shares having face value of Rs. 100/- each. Each holder of equity share is entitled to one vote per share. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by the Shareholders at the Annual General Meting.

The Company has not allotted any shares pursuant to contract without payment being received in cash.

There are no call unpaid on equity shares.

No shares have been reserved for issue on option.

No equity shares have been forfeited.

**Note 14**

**OTHER EQUITY**

| Particulars | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| **1.SEURITIES PREMIUM** | | | |
| As per the last year accounts | 380.91 | | 287.61 |
| Add: Addition during the period | - | | 93.30 |
| | **380.91** | | **380.91** |
| **2. RETAINED EARNINGS** | | | |
| As per the last year accounts | 83.71 | | (59.04) |
| Add: Surplus for the period | 72.79 | | 142.75 |
| | 156.50 | | 83.71 |
| TOTAL | **537.41** | | **464.62** |

1. Share Premium :

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Act.

2.Retained Earnings:

This Reserve represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

**Note 15**

| BORROWINGS -NON CURRENT : | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| | Non-Current | | Non-Current |
| **SECURED :** | | | |
| **from banks :** | | | |
| (I)ELCGS scheme loan from Indusind Bank | - | | 14.04 |
| | - | | 14.04 |
| **UNSECURED :** | - | | - |
| | - | | 14.04 |

**Note 16**

| BORROWINGS -CURRENT : | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| **SECURED :** | | | |
| From banks : | | | |
| (I) UCO Bank - CC* | 241.48 | | - |
| (II) FCTL (EPC) from Indusind Bank | - | | 10.44 |
| (III)ELCGS scheme loan from Indusind Bank | - | | 11.24 |
| (IV)- Pre- shipment credit (EPC): | | | |
| Cash Credit a/c with Indusind Bank | - | | 31.75 |
| Export Packing Credit a/c with Indusind Bank | - | | 105.44 |
| | 241.48 | | 158.86 |
| **UNSECURED :** | | | |
| From Other Than banks : | | | |
| (V) Sah Polymer Ltd. | 345.00 | | - |
| (Regable on demand) | 345.00 | | - |
| | 586.48 | | 158.86 |

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*(I) Borrowings from UCO Bank is a fund based cash credit facility and is unsecured against all present and future current assets and fixed assets including immovable assets of the Company situated at G-1 202-203 IID center RIICO, Kaladwas , Udaipur and E-260-261, Mewar Industrial Area Madri, Udaipur . The loan is repayable on demand. It is also secured by personal guarantee of directors Mr.Murtaza Ali Moti and corporate guarantee of Sah Polymers Ltd.

(II-III & IV) Borrowings from Indusind bank was repiad during the current year

(V) Loan Taken from Holding Company @ 12% Interest p.a.

There is no continuing default in the payment of interest.

Note 17

| TRADE PAYABLES | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises | | | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 259.97 | | 234.53 |
| | 259.97 | | 234.53 |

Trade payables ageing schedule as at 31st March 2023

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | More Than 2-3 years | TOTAL |
| (i) Undisputed -Micro & small enterprises | - | - | - | - | - |
| (ii) Undisputed Others | 258.92 | - | - | - | 258.92 |
| (iii) Disputed dues – Micro & small enterprises | - | - | - | - | - |
| (iv) Disputed dues - Others | 0.40 | 0.65 | - | - | - |
| Total | 259.32 | 0.65 | - | - | 259.97 |

Trade payables ageing schedule as at 31st March 2022

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | More Than 2-3 years | TOTAL |
| (i) Undisputed -Micro & small enterprises | - | - | - | - | - |
| (ii) Undisputed Others | 233.17 | 1.33 | - | - | 234.51 |
| (iii) Disputed dues – Micro & small enterprises | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | 0.02 | 0.02 |
| Total | 233.17 | 1.33 | - | 0.02 | 234.53 |

Note 18

| OTHER CURENT LIABILITIES | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| Statutory Liabilities | 3.67 | | 2.33 |
| Advance received from customers | 42.65 | | 8.68 |
| Other Payable | 0.06 | | 1.43 |
| | 46.38 | | 12.44 |

Note 19

| PROVISIONS | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| Provisions for Leave encashment | 1.13 | | - |
| Provisions for Gratuity | 13.24 | | - |
| | 14.37 | | - |

Note 20

| CURRENT TAX LIABILITIES | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| Income Tax Payable (Net of credit) | 13.93 | | - |
| | 13.93 | | - |

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Note 21

| REVENUE FROM OPERATIONS | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|
| (a) Manufactured Goods | 3,856.43 | | 3,305.20 |
| (b) Sale of services | | | - |
| I) Job work | 112.82 | | 12.85 |
| II) Marketing research Services | - | | 90.24 |
| | 112.82 | | 103.09 |
| | 3,969.25 | | 3,408.29 |

Note 22

| OTHER INCOME | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|
| Exchange Rate Fluctuation | 41.02 | | 20.28 |
| Interest on Income Tax refund | - | | 0.04 |
| Othe Misc Income | 0.32 | | 0.09 |
| Sundry Balances Written Off | - | | 0.90 |
| | 41.34 | | 21.32 |

Note 23

| COST OF MATERIAL CONSUMED | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|
| Opening Stock | 402.51 | | 309.34 |
| Add: Purchases + Expenses | 2,965.33 | | 2,489.59 |
| | 3,367.83 | | 2,798.93 |
| Less: Closing Stock | 583.65 | | 402.51 |
| | 2,784.18 | | 2,396.42 |

Note 24

| CHANGES IN INVENTORIES | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|
| **Opening Stock :** | | | |
| Finished Goods | 84.15 | | 86.07 |
| Work-in-progress | - | | - |
| | 84.15 | | 86.07 |
| **Less :Closing Stock :** | | | |
| Finished Goods | 100.27 | | 84.15 |
| Work-in-progress | 67.50 | | - |
| | 167.77 | | 84.15 |
| | (83.62) | | 1.92 |

Note 25

| EMPLOYEE BENEFITS | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|
| (i) Salaries, wages and bonus | 111.58 | | 98.52 |
| (ii) Contribution to provident and other funds | 4.78 | | 3.95 |
| (iii) Gratuity | 13.24 | | - |
| (iv) Leave encashment | 1.28 | | - |
| (iii) Staff welfare expenses | 26.61 | | 26.44 |
| | 157.48 | | 128.91 |

Note 26

| FINANCE COSTS | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|
| (i) Interest on loan | 31.88 | | 20.65 |
| (ii) Interest on TCS /TDS | 2.40 | | 0.05 |
| (iii) Bank Loan Processing Charges | 1.10 | | 0.58 |
| | 35.39 | | 21.28 |

Note 27

| OTHER EXPENSES | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|
| Job work charges | 300.29 | | 143.06 |
| Store & Spares | 24.19 | | 32.38 |
| Power & Fuel Expenses | 30.43 | | 22.25 |
| Rent of Plant & Machinery | 10.12 | | 10.56 |
| Packing Material | 25.58 | | 10.23 |
| Repairs & Maintenance- Plant & Machinery | 8.11 | | 3.38 |
| Bag Printing Expenses | 5.36 | | 2.49 |
| Factory Expenses | 3.34 | | 1.71 |
| Quality Control Expenses | 1.70 | | 0.92 |
| Other manufacturing expenses | 308.25 | | 220.99 |
| Rent of Land & Building | 31.29 | | 30.33 |
| Legal & Professional Fees | 6.22 | | 3.50 |
| Conveyance Expenses | 5.24 | | 4.46 |
| Insurance- Expenses | 1.68 | | 1.05 |

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| | | | |
|---|---|---|---|
| Payment to Auditors: | | | - |
| (i) Statutory Audit | 0.12 | | 0.13 |
| (ii) Tax Audit | 0.13 | | 0.13 |
| Repair & Maintenance-Building & Others | 3.88 | | 1.32 |
| Security & Safety Expenses | 0.01 | | 0.06 |
| Printing & Stationery Expenses | 1.85 | | 0.44 |
| Telephone & Internet | 0.65 | | 0.82 |
| Software & License Fees | 0.14 | | 0.05 |
| Postage & Courier Exp | 3.50 | | 1.59 |
| Membership & Subscription | 0.36 | | 0.11 |
| Other Administrative Expenses | 0.21 | | 0.27 |
| Sundry Balance Written Off | 3.20 | | - |
| Freight Charges | 146.70 | | 169.17 |
| Clearing & Forwarding | 28.40 | | 21.25 |
| Business promotion exp | 21.28 | | 7.21 |
| Commission Expenses | 3.17 | | 5.42 |
| Loading & Unloading Charges | 2.96 | | 2.01 |
| Other Selling & Distribution Expenses | 1.72 | | 0.56 |
| Bank Charges | 3.12 | | 6.70 |
| Vehicle Running & Maintenance Expenses | 1.27 | | 0.80 |
| Travelling Expenses | 1.94 | | 0.24 |
| Cash Discount | 1.58 | | 2.47 |
| | 987.48 | - | 708.08 |

**Note 28**

**Tax expense**

| | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|
| **Tax expenses recognised in the Statement of Profit and Loss** | | | |
| **Current Tax :** | | | |
| Current tax | 35.95 | - | |
| Deferred tax (Net) | (6.85) | - | - |
| MAT Credit Entitlement | - | | |
| Total tax expenses | 29.10 | - | - |

Reconciliation of tax expenses and the accounting profit

The reconciliation between estimated income tax at statutory income tax rate into income tax expenses reported in Statement of Profit and Loss is given below :

| | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|
| Profit before income tax | 101.89 | | 142.75 |
| Indian statutory income tax rate | 27.82% | | 27.82% |
| Expected income tax expenses | 28.35 | | 39.71 |
| **Tax effect of adjustment to reconcile expected income tax Expenses to reported Income tax Expenses** | | | |
| Tax impact of income not subject to tax | | | (39.71) |
| Tax effects of amounts which are not deductible for taxable income | | | |
| Tax impact due to 43B of the Income tax Act,1961 | 4.67 | | - |
| MAT credit adjustments | (18.55) | | - |
| Others | 2.94 | | - |
| | (10.94) | | (39.71) |
| Total income tax expenses | 17.41 | | - |
| Effective rate of tax (%) | 17.09 | | - |

**Note 29**

**Earnings per share**

| | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|
| Earning per share has been computed as under | | | |
| (a) Profit for the year | 72.79 | | 142.75 |
| (b) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share | 66430.00 | | 61844.00 |
| (c) Effect of potential Equity shares on conversion of outstanding share warrants | - | | - |
| (d) Weighted average number of equity shares in computing diluted earnings per share [(b) + (c)] | 66430.00 | | 61844.00 |
| (e) Earnings per share on profit for the year (Face Value Rs. 100.00 per share) | | | |
| -Basic (a/b) | 109.58 | | 196.55 |
| -Diluted (a/d) | 109.58 | | 196.55 |

**Note 30**

Contingent liabilities and commitments :

There are no contingent liabilities or Commitments for the company as on 31.03.2023

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**Note 31**

Financial Instruments and Related Disclosures :

1. Capital Management

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals, borrowings etc. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

2. Categories of financial Instruments

| Particulars | Note | As at 31st March,2023 | | As at 31st March,2022 | |
|---|---|---|---|---|---|
| | | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Financial assets | | | | | |
| Measured at amortised cost | | | | | |
| i) Cash and cash equivalent | 9 | 11.31 | 11.31 | 61.63 | 61.63 |
| ii) Trade receivables | 8 | 557.13 | 557.13 | 195.84 | 195.84 |
| iii) Other financial assets | 4,10 | 8.41 | 8.41 | 8.24 | 8.24 |
| Total Financial assets | | 576.85 | 576.85 | 265.72 | 265.72 |
| | | | | | |
| Financial Liabilities | | | | | |
| Measured at amortised cost | | | | | |
| i) Cash Credit facilities | 16 | 241.48 | 241.48 | 137.19 | 137.19 |
| ii)Borrowings | 15 | 586.48 | 586.48 | 35.72 | 35.72 |
| iii) Trade payables | 17 | 259.97 | 259.97 | 234.53 | 234.53 |
| iv) Other financial liabilities | 18-20 | 74.68 | 74.68 | 12.44 | 12.44 |
| | | | | | |
| Total financial liabilities | | 1,162.60 | 1,162.60 | 419.87 | 419.87 |

**3 : FINANCIAL RISK MANAGEMENT**

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company does regularly monitor ,analyze and manage the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

**A. MANAGEMENT OF MARKET RISK:**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings and investments . The Company has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

**(i) Management of interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks since its borrowings and investments are all in fixed rate instruments.

**(ii) Management of price risk:**

The Company has no surplus for investment in debt mutual funds, deposits etc. The Company does make deposit with the banks to provide security/margin against guarantee given by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

**(iii) Management of currency risk:**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures etc. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk(The Company has exposure only in USD/EURO/GBP converted to functional currency i.e INR)

The currency profile of financial assets and financial liabilities as at 31-03-2023 are as below:

| Financial assets | Exposure currency | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|---|
| | | FC | Rs. In lacs | FC | Rs. In lacs |
| Trade receivables | USD | 1,52,157.60 | 124.09 | 1.23 | 92.18 |
| | EURO | 4,16,196.95 | 361.52 | - | - |
| | GBP | - | - | - | - |
| | | 5,68,354.55 | 485.61 | 1.23 | 92.18 |

| Financial Liability | Exposure currency | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|---|
| | | FC | Rs. In lacs | FC | Rs. In lacs |
| Trade Payable | USD | 39.00 | 0.0317499 | - | - |
| | GBP | 45,828.08 | 42.1709992 | | |
| | EURO | - | - | 0.10 | 8.56 |
| | | 45,867.08 | 42.20 | 0.10 | 8.56 |

A reasonably possible 5% strengthening (weakening) of the Indian Rupee against USD/EURO at the end of the period would have affected the measurement of financial instruments denominated in USD/EURO and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

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| | FC | As at | Strengthening FC | Weakening FC |
|---|---|---|---|---|
| Profit/(Loss) | USD | 31.03.2022 | 6,128.80 | 6,128.80 |
| | EURO | 31.03.2022 | 500.00 | 500.00 |
| | USD | 31.03.2023 | 7,605.93 | 7,605.93 |
| | GBP | 31.03.2023 | 2,291.40 | 2,291.40 |
| | EURO | 31.03.2023 | 20,809.85 | 20,809.85 |

B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

C. MANAGEMENT OF LIQUIDITY RISK:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

D. Fair value measurement

**Fair value hierarchy**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

| Particulars | Fair value hierarchy | As at 31st March,2023 | | As at 31st March,2022 |
|---|---|---|---|---|
| | | Fair Value | | Fair Value |
| Financial assets | | | | |
| Measured at amortised cost | | | | |
| i) Cash and cash equivalent | L2 | 11.31 | | 61.63 |
| ii) Other Bank balance | L2 | - | | - |
| v) Trade receivables | L2 | 557.13 | | 195.84 |
| vi) Other financial assets | L2 | 8.41 | | 8.24 |
| Total Financial assets | | 576.85 | | 265.72 |
| Financial Liabilities | | | | |
| Measured at amortised cost | | | | |
| i) Cash Credit facilities | L2 | 241.48 | | 137.19 |
| ii)Term loans | L2 | - | | 35.72 |
| iii) Trade payables | L2 | 259.97 | | 234.53 |
| iv) Other financial liabilities | L2 | 74.68 | | 12.44 |
| Total financial liabilities | | 576.12 | | 419.87 |

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Note 32
Disclosures in respect of related parties pursuant to Ind AS 24

During the year following transactions were carried out with the related parties in the ordinary course of business at arm's length price

| Name of related party | Nature of relation | For the year ended 31.03.2023 | For the year ended 31.03.2022 | Nature of transaction |
|---|---|---|---|---|
| Sah Polymers Limited | Holding Company | 71.53 | 55.15 | Job work |
| | | 10.12 | 2.64 | Lease rent |
| | | 1,358.42 | 398.28 | Sales |
| | | 1,235.75 | 117.99 | Purchase |
| | | 6.40 | 2.36 | sales of P&M |
| | | 345.00 | - | Loan Taken |
| | | 4.27 | - | Interest Paid on loan |
| Salary | Key Management Personnel | 16.46 | 15.07 | Salary |
| Fatima Moti | Key Management Personnel | 6.00 | 0.51 | Repayment of unsecured loan |
| Fatima Moti | Key Management Personnel | 0.03 | - | Interest on unsecured loan |
| Fatima Moti | Key Management Personnel | 6.00 | - | Unsecured loan Taken |
| Murtaza Ali Moti | Key Management Personnel | 5.00 | - | Unsecured loan Taken |
| Murtaza Ali Moti | Key Management Personnel | 5.00 | - | Repayment of unsecured loan |

| Closing balances | | |
|---|---|---|
| Name | As at 31/03/2023 | As at 31/03/2022 |
| Sah Polymers Limited | 441.22 cr | 22.20 cr |

No amount in respect of the related parties have been written off/back are provided for during the period
Related party relationship has been identified by the Management and relied upon by the auditors

Note 33
**EMPLOYEE BENEFITS**
**a) DEFINED CONTRIBUTION PLAN**
Provident Fund.
The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

**b) DEFINED BENEFIT PLAN**
Gratuity:
The Company offers its employees defined benefit Plans in the form of a Gratuity Scheme. Benefits under the defined benefit plan is typically based either on years of service and the employee's compensation (generally immediately before retirement). The Gratuity scheme covers substantially all regular employees. The Company contributes funds to Life Insurance Corporation of India, which is irrevocable. Commitments are actuarially determined at year end. The actuarial valuation is done based on ""Projected Unit Credit" "method. Gains & Losses of changed actuarial assumptions are charged to the profit and loss account. The obligations for leave Encashment is recognised in the same manner as gratuity. "

**Provident Fund:**
The Company makes Provident Fund contribution to the Government administered Provident fund. The Company has no part to play in this respect.

**c) Amounts Recognised as Expense:**
**i) Defined Contribution Plan**
Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to Rs. 3.20 lacs (as on 31-03-23) Rs. 2.59 lacs ( as on 31-03-22) has been included under Contribution to Provident and Other Funds.

**ii) Defined Benefit Plan**
Gratuity amount has been included in Note 25 under

Deferred Tax Assets /Liability

| | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|
| Provisions | 6.85 | | 2.27 |
| Others | | | - |
| Total Deferred Tax Assets /Liability | 6.85 | | 2.27 |
| Net Deferred tax (Liabilities)/Assets | 6.85 | | 2.27 |

**Movement in Deferred tax Liabilities /Assets**

| Particulars | | Deferred Tax Liabilities/Asset |
|---|---|---|
| As at 31st March, 2021 | | 2.27 |
| (Charged)/Credited to profit and Loss account | | - |
| As at 31st March, 2022 | | 2.27 |
| (Charged)/Credited to profit and Loss account | | 6.86 |
| As at 31st March, 2023 | | 9.13 |

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

**Note 34**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due to further interest due and payable in the succeeding years. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

| Information relating to the Micro, Small and Medium Enterprises | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|
| (a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;<br>(i) Principal amount<br>(ii) Interest | - | - | - |
| (b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year | - | - | - |
| (c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 | - | - | - |
| (d) The amount of interest accrued and remaining unpaid at the end of each accounting year; | - | - | - |
| (e) The amount of interest accrued and remaining unpaid at the end of each accounting year; | - | - | - |

**Note 35**

**SEGMENT INFORMATION**

The Company operates in one primary business segment viz. Manufacturing of PP Woven Bags & Sacks.

Secondary :

| GEOGRAPHICAL INFORMATION | March 31,2023 | | March 31,2022 |
|---|---|---|---|
| Non Current Assets – Within India | 113.98 | | 143.47 |
| – Outside India | - | | - |
| Revenue from external customers – Within India | 2,057.40 | - | 1,787.18 |
| – Outside India | 1,931.85 | - | 1,621.19 |

**Note 36**

The Company has elected not apply the Indian Accounting Standard (Ind AS) 116- Leases to account for those leases where underlying assets is of low value.

**Note 37**

Balances of banks, sundry debtors and trade payables , current liabilities etc. as on 31.03.2023 are subject to confirmation and reconciliation.

**Note 38**

In the opinion of the Management ,there is no impairment of assets in accordance with the Ind AS -36 as on the Balance Sheet date.

**Note 39**

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

**Note 40**

In the opinion of the Management ,there is no impairment of assets in accordance with the Ind AS -36 as on the Balance Sheet date.

**Note 41**

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

**Note 42**

The financial statements were authorised for issue by the Board of Directors on 06-05-2023.

**Note 43**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimal thereof as per the requirements of Schedule III to the Companies Act,2013, unless otherwise stated.

**Note 44**

Previous year's figures have been reclassified/regrouped wherever necessary to conform with the current Financial Statements.

**Note 45**

No proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions ( Prohibition) Act,1988 and rules made thereunder.

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**Note 46**

The Company is not a declared willful defaulter by any bank or financial institution or other lender.

**Note 47**

The Company has no transaction with companies struck off under section 248 of the Companies Act 2013

**Note 48**

There is no charges or satisfaction yet to be registered with ROC beyond the statutory period.

**Note 49**

The Company has no subsidiary , therefore ,compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act,2013 read with the Companies (Restriction on number of Layers) Rules,2017, is not applicable.

**Note 50**

Ratios

| | Ratio | | | |
|---|---|---|---|---|
| Particulars | For the year ended 31.03.2023 | | For the year ended 31.03.2022 | Explanation* |
| (a) Current ratio | 1.53 | | 1.99 | cahnges in CA & decrease in CL |
| (b) Debt equity ratio | 0.97 | | 0.33 | cahnges in borrowing & equity |
| (c) Return on Equity Ratio | 1.10 | | 2.15 | cahnges in turnover |
| (d) Inventory turnover ratio | 5.17 | | 6.87 | changes in turnover |
| (e) Trade Receivables turnover ratio | 0.14 | | 0.06 | cahnges in debtors turnover |
| (f) Trade payables turnover ratio | 0.07 | | 0.07 | cahnges in liabilty & Turnover |
| (g) Net capital turnover ratio | 8.10 | | 8.49 | cahnges turnover |
| (h) Net profit ratio | 1.83 | | 4.19 | cahnges in turnover |
| (i) Return on Capital employed | 0.17 | | 0.26 | changes in turnover & margin |
| (j) Return on investment | 1.53 | | 1.77 | cahnges in turnover & margin |

* Explanation for any change in ratio by more than 25% as compared to previous year.

**Note 51**

No Scheme of Arrangement has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act,2013.

**Note 52**

Utilisation of Borrowed funds and share premium :

(a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding ( whether recorded in writing or otherwise) the the Intermediary (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company(ultimate Beneficiaries ) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Company has not received any fund from any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate Beneficiaries ) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**Note 53**

There is no transaction recorded in the books of account that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act,1961. Further there is no previously unrecorded income and related assets requiring recording in the books of account during the period.

**Note 54**

The Company is not covered under section 135 of the Companies Act, 2013.

**Note 55**

The Company has not traded or invested in Crypto currency or Virtual Currency during the period.

for and on behalf of
AJAY PALIWAL & CO.
Chartered Accountants
FRN: 12345C

AJAY PALIWAL
Proprietor
M.No. 403290
Udaipur: May 5,2023
UDIN: 23403290BGXWHV2966

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

for and on behalf of the Board

Murtaza Ali Moti
Director
DIN No: 07876224

Fatima Moti
Director
DIN No: 07876195

Note : 13
Statement of Changes in equity

**A. Equity Share Capital**
**(1) Current reporting period-31/03/2023**

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|---|---|---|---|---|
| 66.43 | - | 66.43 | 0.00 | 66.43 |
| | | | | |

**(2) Previous reporting period**

As at 31/03/2022

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|---|---|---|---|---|
| 60.43 | - | 60.43 | 6.00 | 66.43 |
| | | | | |

B. Other equity

| Particulars | Capital Reserve | Securities premium | Other Reserves(specify nature-Capital Subsidy) | Retained earnings | Total |
|---|---|---|---|---|---|
| Balance as at 31/03/2022 | | 380.91 | | 83.70 | 464.62 |
| Profit for the year | | | | 72.79 | 72.79 |
| Other comprehensive income | | - | | | - |
| Restated balance at the beginning of the reporting period | | | | | - |
| Total Comprehensive income for the year | | | | | - |
| Balance as at 31/03/2023 | | 380.91 | | 156.49 | 535.13 |
| | | | | | |
| ance as at 31/03/2021 | | 287.61 | | (59.04) | 228.57 |
| rofit for the year | | | | 142.74 | 142.74 |
| Share premium | | 93.30 | | | 93.30 |
| Restated balance at the beginning of the reporting period | | | | | - |
| Total Comprehensive income for the year | | | | | - |
| Balance as at 31/03/2022 | | 380.91 | | 83.70 | 464.62 |

for and on behalf of
AJAY PALIWAL & CO.,
Chartered Accountants
FRN : 012345C

AJAY PALIWAL
Proprietor
M.No. 403290
Udaipur. May 5,2023
UDIN: 23403290BGXWBV2966

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

for and on-behalf of the Board

Murtaza Ali Moti
Director
DIN No: 07876224

Fatima Moti
Director
DIN No: 07876195

## INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

### To the Members of Sah Polymers Limited

### Opinion

We have audited the standalone financial statements of Sah Polymers Limited ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss, Statement of changes in equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report along with its Annexures and Financial Highlights included in the Company's Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Responsibility of Management for Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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**Report on Other Legal and Regulatory Requirements**

(i)As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, in terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we give in the Annexure – "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(ii) As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to the financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i)The Company does not have any pending litigations which would impact its financial position.

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

(v) During the year the Company has neither declared nor paid any dividend.

**For H R JAIN & CO.,**
Chartered Accountants
Firm's Registration No. 000262C

Manoj Jain
Partner
Place of signature: Udaipur
Membership No.: 400459
Date: May 18, 2023
ICAI UDIN: 23400459BGUJZW9666

310-313, Arihant Plaza, Near State Bank of India, Udiyapole, Udaipur-313001
: 97853 90875 : hrjainca@gmail.com

**Annexure - A to the Independent Auditor's Report (Referred to in paragraph (i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and the situation of property, plant and equipment.

(B) The Company has maintained proper records showing full particulars Intangible Assets.

(b) These property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer; specifying the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statement does not arise.

(ii) (a) The physical verification of inventory (excluding stocks with third parties) have been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with the third parties, these have substantially been confirmed by the third parties. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the Company with such bank or financial institutions are in agreement with the books of account of the Company.

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(iii) During the year the Company has neither made investment nor provided any security but has, however, provided guarantee and unsecured loans and advances in the nature of loans, to companies, firms, Limited Liability Partnerships or any other parties:

(a) During the year the company has provided loans or provided advances in the nature of loans and stood guarantee but has not provided security to any other entity

(A) & (B) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees to:

(Rs. in lakhs )

| | Aggregate amount for the financial year 2022-2023 | | Balance outstanding as at 31/03/2023 | |
|---|---|---|---|---|
| | Loan | Guarantee | Loan | Guarantee |
| Subsidiaries, joint ventures and associates | 345.00 | 300.00 | 345.00 | 300.00 |
| Other than subsidiaries, joint ventures and associates | 839.98 | 0.00 | 841.95 | 0.00 |

(b) the Company has neither made investment nor given security. Further the terms and conditions of the grant of all loans and advances in the nature of loans and guarantee provided are not prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans, no schedule of repayment of principal and payment of interest has been stipulated.

(d) In respect of the aforesaid loans, there is no amount overdue for more than ninety days.

(e) During the year no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) During the year the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 are as under;

| Aggregate amount (Rs. In lakhs) | % of the total loans granted | Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 ( Rs. In lakhs) |
|---|---|---|
| 1184.98 | 99.83 | 345.00 |

(iv) In our opinion and according to the information and explanations given to us the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of loans granted, investments made, guarantees, and security provided;

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and accordingly the question of complying with Sections 73 and 76 of the Companies Act, 2013 does not arise. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 74 and 75 or any other relevant provisions of the Companies Act, 2013. According to the information and explanations given to us, no Order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal on the Company.

(vi) The maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of products of the Company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, details of statutory dues referred to in sub-clause (a) have not been deposited as on 31st March, 2023 on account of disputes are given below:

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| Name of statutes | Nature of dues | Amount Rs. In lakhs | The period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|
| Income Tax Act,1961 | Income tax demand | 0.79 (Net of deposit) | FY 2014-15 | CIT (Appeal) |

(viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), that has not been recorded in the books of account.

(ix) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted on repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedure performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short term basis have been utilised for long term purposes by the Company.

(e) According to the information and explanations given to us, and the procedure performed by us, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, and the procedure performed by us, we report that the company has not raised loans during the year on the pledged of securities held in its subsidiaries, joint venture, or associate companies.

(x) (a) During the year the Company raised Rs. 6630 lakhs by way of initial public offer. In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of initial public offer for the purposes for which they were raised, except for the following:

(Rs. in lakhs)

| Nature of the fund raised | Purpose for which funds were raised | Total Amount Raised /opening un-utilized balance | Amount utilized for the other purpose | Unutilized balance as at Balance sheet date | Details of default (Reason /Delay | Subsequently rectified (Yes/No) and details |
|---|---|---|---|---|---|---|
| Initial Public Offer | Setting up of a new manufacturing facility to manufacture new variant of Flexible Intermediate Bulk Containers (FIBC) | 817.18 | 412.16 | 405.02 | Amount was raised during the fag end of the financial year | NA |
| | Repayment of certain secured and unsecured borrowings | 1,966.15 | 1,966.15 | 0 | 0 | NA |
| | Funding the working capital requirements | 1,495.81 | 1495.81 | 0 | 0 | NA |
| | General corporate purposes | 1250.47 | 0.00 | 1250.47 | Amount was raised during the last lag of the financial year | NA |
| | Issue related expenses | 1100.39 | 1090.38 | 10.01 | Amount was raised during the last lag of the financial year | NA |

We further report that the pending utilisation, the Company has temporarily invested the unutilised amount as on March 31,2023, in fixed deposits with the scheduled commercial bank.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible). Accordingly, reporting under clause 3(xx) (b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and

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according to the information and explanation given to us, a report under section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, was not required to be filed with the Central Government. Accordingly, reporting under clause 3(xi) (b)of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us and as represented by the Management, the Company has received no whistle -blower complaints during the year. Accordingly, reporting under clause 3(xi) (c)of the Order is not applicable to the Company.

(xii) (a) As the Company is not a Nidhi company, therefore, the clauses (xii)(a), (b) and (c) of the Order are not applicable to the Company.

(xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act and the details have been disclosed in the financial statements, etc., as required by the Indian Accounting Standard 24 "Related Party Disclosures" specified under section 133 of the Act.

(xiv) (a) In our opinion and According to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditors for the period under audit were considered by us.

(xv) The company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the reporting under clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) In our opinion and according to the information and explanation given to us the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934);

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934; Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, Accordingly, the reporting under clause 3(xv)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the Management of the Company, the Group does not have any CIC, which is part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xv)(d) of the Order is not applicable to the Company.

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(xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, the reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanation given to us and on the basis of the financial ratios (also refer Note 57 to the financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumption ,nothing has come to our attention , which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 61 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For H R JAIN & CO.,**
Chartered Accountants
Firm's Registration No. 000262C

Manoj Jain
Partner
Place of signature: Udaipur
Membership No.: 400459
Date: May 18, 2023
ICAI UDIN: 23400459BGUJZW9666

**Annexure - B to the Independent Auditor's Report on the Internal Financial Controls with reference to financial statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **SAH POLYMERS LIMITED** ("the Company") as of 31st March, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the

risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to (Referred to in paragraph (ii) (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date) the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.




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**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For H R JAIN & CO.,**
Chartered Accountants
Firm's Registration No. 000262C




Manoj Jain
Partner
Place of signature: Udaipur
Membership No.: 400459
Date: May18, 2023
ICAI UDIN: 23400459BGUJZW9666

[illegible] PRIVATE LIMITED

BALANCE SHEET

(Rs. in Lakhs)

| Particulars | Note | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **(1) Non-current Assets** | | | | | |
| (a) Property, Plant and Equipment | 3 | | 1,033.22 | | 116.31 |
| (b) Capital Work-in-Progress | 3 | | 67.95 | | [illegible] |
| (c) Investment Property | | | - | | - |
| (d) Goodwill | | | - | | - |
| (e) Other Intangible Assets | 3 | | 9.52 | | 1.76 |
| (f) Intangible Assets under development | | | | | |
| (g) Biological Assets other than bearer plants | | | | | |
| (h) Financial Assets | | | | | |
| (i) Investments | 4 | 581.74 | | 616.35 | |
| (ii) Trade Receivables | | | | | |
| (iii) Loans | 6 | 92 | | - | |
| (iv) Others | 7 | 125.48 | 888.13 | 50.57 | [illegible] |
| (i) Deferred tax assets (net) | | - | | - | |
| (j) Other non-current assets | 9 | | 5.69 | | 0.80 |
| **(2) Current assets** | | | | | |
| (a) Inventories | 5 | | 1,761.57 | | 144.37 |
| (b) Financial Assets | | | | | |
| (i) Investments | | | | | |
| (ii) Trade receivables | 6 | 1,053.28 | | 1,217.83 | |
| (iii) Cash and cash equivalents | 1 | 1,069.64 | | 129.[illegible] | |
| (iv) Bank balances other than (iii) above | | 1,069.99 | | 34.22 | |
| (v) Loans | 2 | 1,193.58 | | 684.21 | |
| (vi) Others | 3 | 6.99 | 4,389.21 | 12.27 | 2,161.81 |
| (c) Current Tax Assets (Net) | 4 | | - | | 1.79 |
| (d) Other current assets | 5 | | 404.37 | | 144.87 |
| **Total Assets** | | | 11,701.12 | | 6,199.20 |
| **EQUITY** | | | | | |
| (a) Equity Share Capital | 10 | 2,500.00 | | 1,250.00 | |
| (b) Other Equity | 11 | 5,804.64 | 8,304.64 | 821.12 | 2,160.71 |
| **LIABILITIES** | | | | | |
| **(1) Non-current Liabilities** | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | 18 | 824.58 | | 131.10 | |
| (ii) Lease Liabilities | | | | | |
| (iii) Trade payables | | - | | - | |
| (iv) Other Financial Liabilities other than those specified in item (b) | | - | 849.58 | | 131.19 |
| (b) Provisions | | | - | | |
| (c) Deferred tax liabilities (Net) | 17 | | 179.67 | | 149.48 |
| (d) Other non-current liabilities | | | - | | - |
| **(2) Current Liabilities** | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | 20 | [illegible] | | 2,138.72 | |
| (ii) Lease Liabilities | | | | | |
| (iii) Trade payables | 21 | | | | |
| (A) total outstanding dues of micro enterprises and small enterprises | | | | | |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | | 433.16 | | 438.06 | |
| (iv) Other financial liabilities other than those specified in item (b) | 22 | 2.10 | 1,972.92 | 2.46 | 3,621.14 |
| (b) Other current liabilities | 23 | | 24.66 | | 116.27 |
| (c) Provisions | 24 | | 1.14 | | - |
| (d) Current Tax Liabilities (Net) | 25 | | 52.24 | | 80.33 |
| **Total Equity and Liabilities** | | | 11,701.12 | | 6,199.20 |

See accompanying notes to the Financial statements 1 to 51

As per our Audit report of even date attached

For and on behalf of
H.K. JAIN & CO.,
Chartered Accountants
FRN: [illegible]

H.K. JAIN & CO. CHARTERED ACCOUNTANTS

[illegible]
Proprietor
M.No. [illegible]
Jaipur, May 8, 2023

UDIN: 23[illegible]

For and on behalf of the Board

HAKIM SAHIB ALI [illegible] ALA
Whole-time Director
DIN: [illegible]

[illegible] NAWAZ [illegible] MOHD NAWAZ DAUD
Whole-time Director Director
DIN: [illegible] DIN: [illegible]

ANIL KUMAR BOLIA
Chief Financial Officer

RUKEE SAXENA
Company Secretary
M.No. 28622

## SAH POLYAMERS LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2023

(Rs. in lakhs)

| Particulars | Note | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|---|
| | | Amount in Rupees | | Amount in Rupees | |
| **Income :** | | | | | |
| I Revenue from operations | 29 | | 8,741.31 | | 7,532.75 |
| II Other income | 27 | | 159.48 | | 52.03 |
| III Total income (I + II) | | | 8,165.82 | | 7,584.78 |
| IV Expenses | | | | | |
| Cost of Materials consumed | 28 | | 1,221.68 | | 4,656.21 |
| Purchases of Stock-in-Trade | 29 | | 611.55 | | 1,212.13 |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 30 | | (201.65) | | (456.09) |
| Employee benefits expense | 31 | | 346.19 | | 210.28 |
| Finance costs | 32 | | 166.94 | | 118.58 |
| Depreciation and amortization expense | 33 | | 175.55 | | 83.64 |
| Other expenses | 34 | | 1,846.27 | | 1,280.48 |
| Total expenses | | | 7,975.22 | | 7,132.65 |
| V Profit before exceptional items and tax (III-IV) | | | 470.60 | | 514.13 |
| VI Exceptional items | | | - | | - |
| VII Profit / (Loss) before tax (V-VI) | | | 470.60 | | 514.13 |
| VIII Tax expense: | | | | | |
| (1) Current tax | | 91.40 | | 108.91 | |
| less: MAT Credit entitlement | | 57.42 | | - | |
| (2) Short/ excess provisions of earlier years | | 1.06 | | - | |
| | | 33.03 | | 108.91 | |
| (2) Deferred tax | | 33.03 | 116.46 | 2.81 | 111.72 |
| IX Profit (Loss) for the period from continuing operations (VII-VIII) | | | 354.14 | | 402.41 |
| X Profit / (Loss) from discontinued operations | | | - | | - |
| XI Tax expense of discontinued operations | | | | | - |
| XII Profit (Loss) from discontinued operations (IX-XI) | | | | | - |
| XIII Profit / (Loss) for the period (X + XII) | | | 354.14 | | 402.41 |
| XIV Other Comprehensive Income | | | | | |
| A (i) Items that will not be reclassified to profit or loss | | - | | - | |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | | - | |
| B (i) Items that will be reclassified to profit or loss | | | | - | |
| (ii) Income tax relating to items that will be reclassified to profit or loss | | - | | - | |
| XV Total Comprehensive Income for the period (XIII + XIV) (Comprising profit / (Loss) and other Comprehensive Income for the period) | | | 303.51 | | 402.41 |
| XVI Earnings per equity share (for continued Operation): | | | | | |
| (1) Basic | 31 | | 1.71 | | 1.94 |
| (2) Diluted | 31 | | 1.71 | | 2.63 |
| XVII Earnings per equity share (for discontinued Operation): | | | | | |
| (1) Basic | | | - | | - |
| (2) Diluted | | | - | | - |
| XVIII Earnings per equity share (for discontinued & continuing operations) | | | | | |
| (1) Basic | 41 | | 1.71 | | 2.58 |
| (2) Diluted | 31 | | 1.71 | | 2.58 |

See accompanying notes to the Financial Statements 1 to 71

As per our Audit report of even date attached

For and on behalf of
P. R. JAIN & CO.
Chartered Accountants
FRN : 000202C

Manoj Jain
Proprietor
M.No. 408458
Udaipur, Mar 18, 2023

For and on behalf of the Board

P. N. MAHADEVAIYER
Whole time Director
DIN : 00010626

GAUTAM KUMAR BOLIA
Chief Financial Officer

[illegible]
Whole time Director
DIN : 07852751

RITU SAXENA
Company Secretary
M.No. 59022

ASHA GOELD
Director
DIN : 01911512

SAH POLYMERS LTD

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 March, 2023

(₹ in lacs)

| Sr. No. | Particulars | Year ended 31.03.2023 | Year ended 31.03.2022 |
|---|---|---|---|
| A | **Cash Flow from Operating Activities** | | |
| | Net Profit before tax | [illegible] | [illegible] |
| | Adjustments for | | |
| | Depreciation | [illegible] | [illegible] |
| | Finance Cost | [illegible] | [illegible] |
| | Interest received | [illegible] | [illegible] |
| | Unrealised foreign exchange fluctuation (net) | [illegible] | [illegible] |
| | (Profit)/Loss on sale of property, plant and equipment | [illegible] | [illegible] |
| | Provision for gratuity and leave encashment | [illegible] | |
| | **Operating Profit before working capital changes** | **855.82** | **782.89** |
| | Adjustment for Changes in Working Capital | | |
| | Decrease/(Increase) in Trade Receivables | [illegible] | [illegible] |
| | Decrease/(Increase) in Other Current Financial Assets and Other Assets | [illegible] | [illegible] |
| | Increase in financial Liabilities | [illegible] | [illegible] |
| | Increase in Loans | [illegible] | [illegible] |
| | Decrease in other current financial assets | [illegible] | |
| | Other Bank Balances | [illegible] | [illegible] |
| | Increase/(Decrease) in Trade Payables | [illegible] | [illegible] |
| | Decrease in MAT Credit Entitlement | [illegible] | [illegible] |
| | Non Current Financial Assets | [illegible] | [illegible] |
| | Increase in other current assets | [illegible] | [illegible] |
| | Decrease in IND AS adj | [illegible] | [illegible] |
| | Decrease/(Increase) in Stock | [illegible] | [illegible] |
| | **Cash Generated from Operations** | [illegible] | [illegible] |
| | Income Taxes Refund / (Paid) | [illegible] | [illegible] |
| | **Net Cash Inflow /(Out Flow) from Operation (A)** | [illegible] | [illegible] |
| B | **Cash Flow from Investing Activities** | | |
| | Sales of fixed assets | | [illegible] |
| | Purchase of fixed assets | [illegible] | [illegible] |
| | Capital work-in-progress | [illegible] | [illegible] |
| | Acquisition of subsidiary | | [illegible] |
| | Interest received | [illegible] | [illegible] |
| | **Net Cash Inflow/(Outflow) from Investing Activities (B)** | **[2,400.10]** | **[1,325.28]** |
| C | **Cash flow from Financing Activities** | | |
| | Repayment of Non-current | [illegible] | [illegible] |
| | Share Capital | [illegible] | |
| | Increase in borrowing | [illegible] | [illegible] |
| | Capital issue expenses | [illegible] | [illegible] |
| | Interest Paid | [illegible] | [illegible] |
| | **Net Cash Inflow /(Out Flow) from Financing Activities (C)** | **1,715.87** | **1,362.15** |
| | Net Increase/Decrease in cash & Cash equivalents (A+B+C) | 721.76 | 157.59 |
| | **CASH AND CASH EQUIVALENTS** | | |
| | As at the beginning of the year (Refer Note III) | 128.15 | 194.39 |
| | Cash and cash equivalent of Amalgamating Company | - | - |
| | Less : Cash Credit | 681.98 | 690.54 |
| | As at the end of the year (Refer Note III) | 1,081.64 | 128.15 |
| | Less : Cash Credit | 882.81 | 681.98 |
| | Net Increase/Decrease in cash & Cash equivalents | 721.76 | 157.59 |

| | Year ended 31.03.2023 | Year ended 31.03.2022 |
|---|---|---|
| 1. Cash and cash equivalents as per above comprise of the following: | | |
| Cash on hand | 4.97 | 2.21 |
| Balances with scheduled banks: | | |
| -On current accounts | 34.99 | 125.94 |
| -On deposit accounts | 1,012.24 | - |
| (Deposits having an original maturity of 3 months or less) | | |
| Cash and cash equivalents as per note | 1,052.04 | 128.15 |

1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013

The notes 1 to 7 form an integral part of the financial statements.
This is the Statement of Cash Flows referred to in our report of even date.

for and on behalf of
S.R. JAIN & CO.
Chartered Accountants
FRN : 003620C

Vinay Jain
Proprietor
M.No. 404459
Place: Mumbai
Date: May 18, 2023

UDIN : 23404459BGUJZC9666

for and on behalf of the Board

ROHIN SADRY CHOWLA
Whole-time Director
DIN : 00119156

RITESH A. SHAH
Whole-time Director
DIN : 02393711

ANAND DALAL
Director
DIN : 00497579

RAJEEV KAPOOR
Chief Financial Officer

ANUNJI SAXENA
Company Secretary
M.No. 28022

Notes to the Financial Statements

**1.Company Information**

a) Sah Polymers Limited (the Company ), is a public limited Company incorporated in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at E 260 261 Mewar Industrial Area, Madri, Udaipur-313003

b)The Company is primarily engaged in the manufacture of HDPE, PP woven fabrics and sacks with installed production capacity of 7920 MT. The manufacturing operations are situated at Jhamarkotra Udaipur (Rajasthan). The fabrics and sacks find applications in the packing of cement, minerals, food grains etc

**2 Significant Accounting Policies**

**Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

**Basis of Preparation**

The financial statements are prepared on accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102 Share based Payment, leasing transactions that are within the scope of Ind AS 17 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods

**Operating Cycle**

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**Property, Plant and Equipment – Tangible Assets**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated

Assets in the course of construction are capitalised in the assets under capital work in progress-at cost (CWIP). At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalised along with the cost of acquisition or construction upon completion and a corresponding liability is recognized. Revenue generated from production during the trial period is capitalised

Freehold land is not depreciated

The estimated useful lives of property, plant and equipment of the Company are as follows:

| | |
|---|---|
| Buildings | 30 Years |
| Plant and Equipment | 25 Years |
| Furniture and Fixtures | 10 Years |
| Vehicles | 8 Years |
| Office Equipment | 5 Years |

No write off is made in respect of leasehold land

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

**Intangible Assets**

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/ grant

b. for separately acquired assets, at cost comprising the purchase price (including import duties and non refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licenses, trademarks, franchise and service rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite. Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

The estimated useful lives of intangible assets of the Company are : 5 years.

**Impairment of Assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

**Inventories**

Inventories are stated at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale. Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

**Foreign Currency Transactions**

The functional and presentation currency of the Company is Indian Rupee

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as well on translation of monetary items are recognised in the Statement of Profit and Loss

Exchange differences arising on monetary items that in substance form part of the Company's net investment in a foreign operation having a functional currency other than Indian Rupee are accumulated in Foreign Currency Translation Reserve

**Investment in Subsidiary**

Investment in subsidiary is carried at cost less accumulated impairment, if any

**Financial Instruments, Financial assets, Financial liabilities and Equity Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities other than financial assets and financial liabilities measured at fair value through profit or loss are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset

**Financial Assets**

**Recognition:**

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss

**Classification:**

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.

(b) fair value through other comprehensive income (FVTOCI) where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income

**Impairment:**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**Reclassification.** When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to financial instruments.

**De recognition:** Financial assets are derecognised when the right to receive cash flows from the assets has expired or has been transferred and the Company has transferred substantially all of the risks and rewards of ownership. Correspondingly, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss.

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified in the Statement of Profit and Loss unless the asset represents an equity investment on which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**Income Recognition:**

Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

**Financial Liabilities**

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

**Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**Equity Instruments**

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

**Revenue**

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods includes duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as goods and service tax.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership/control have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

**Government Grant**

The Company may receive government grants that require compliance with certain conditions relating to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants

(a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.

(b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.

(c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

**Employee Benefits**

i) Short term Employee benefits liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Post Employment Benefits Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Statement of Profit and Loss as they fall due

Defined Benefit Plans

Gratuity Fund

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/ termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 or as per the Company's scheme whichever is more beneficial to the employees.

Provident Fund

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

iv. Other Long Term Employee Benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method

Re measurements are recognized in profit or loss in the period in which they arise. Actuarial gains and losses in respect of such benefits are charged to Statement of Profit and Loss in the period in which they arise

**Leases**

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

**Company as a Lessee**

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**Company as a Lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease

**Taxes on Income**

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base) at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

**Claims**

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

**Provisions**

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the "time value of money is material", the provision is carried at the present value of the cash flows estimated to settle the obligation.

**Financial and Management Information Systems**

The Company's Accounting System is designed to comply with the relevant provisions of the Companies Act 2013, to provide financial information appropriate to the businesses and facilitate Internal Control.

**Use of estimates and judgements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**A. Judgements in applying accounting policies**

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement. Certain trademarks have been considered of having an indefinite useful life taking into account that there are no technical, technological or commercial risks of obsolescence or limitations under contract or law. Other trademarks have been amortised over their useful economic life. Refer notes to the financial statements.

**B. Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

**1. Useful lives of property, plant and equipment and intangible assets:**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period

**2. Fair value measurements and valuation processes:**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements

**3. Actuarial Valuation:**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements

**4. Claims, Provisions and Contingent Liabilities:**

In the case of litigations where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements

**SAB POLY MACH LIMITED**

Statement of Changes in equity

(1) Current reporting period

Equity Share Capital

| | Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|---|---|---|---|---|---|
| For the year ended on 31/03/2023 | [illegible] | 0.00 | [illegible] | [illegible] | [illegible] |

(2) Previous reporting period

| | Balance at the beginning of the previous reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the previous reporting period | Changes in equity share capital during the previous year | Balance at the end of the previous reporting period |
|---|---|---|---|---|---|
| For the year ended on 31/03/2022 | [illegible] | 0 | [illegible] | [illegible] | [illegible] |

Other equity

| | Reserves and Surplus | | | | Total |
|---|---|---|---|---|---|
| | Securities premium | General Reserve | Retained earnings | Capital issue expenses | |
| Balance at the beginning of the reporting period 01/04/2021 | [illegible] | [illegible] | [illegible] | - | [illegible] |
| Capital issue expenses | - | | - | [illegible] | [illegible] |
| Profit for the year | - | - | [illegible] | | [illegible] |
| Balance at the end of the reporting period 31/03/2022 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| | - | | | | |
| On issue of share capital | [illegible] | - | - | | [illegible] |
| Capital issue expenses | | - | - | [illegible] | [illegible] |
| Less: Public Issue Expenses * | [illegible] | - | | [illegible] | - |
| Profit for the year | - | - | [illegible] | - | [illegible] |
| Balance at the end of the reporting period 31/03/2023 | [illegible] | [illegible] | [illegible] | - | [illegible] |

As per our report of even date
For H. JAIN & CO.
Chartered Accountants
FRN: [illegible]

H. JAIN & CO. CHARTERED ACCOUNTANTS

Manoj Jain
Proprietor
M.No. [illegible]

Udin: [illegible]

HASMUKHBHAI ULABHAI [illegible]
Whole time Director
DIN : [illegible]

[illegible]
Whole time Director
DIN : [illegible]

ASAD [illegible]
Director
DIN : [illegible]

[illegible]
Chief Financial Officer

[illegible]
Company Secretary
M No [illegible]

* Public issue expenses amounting to Rs. [illegible] have been adjusted against Security Premium in accordance with the provisions of section 52 of the Companies Act, 2013

NOTE NO. - 3 PROPERTY ,PLANT AND EQUIPMENT — Rs. in lakhs

| Particulars | Lease Assets | Owned Assets | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Land -Leasehold | Building | land Freehold | Plant and Equipment | Furniture and fixtures | Vehicles | Office Equipment | DG Sets | Tube well | Computer | Total |
| Year ended March,2023 | | | | | | | | | | | |
| GROSS CARRYING AMOUNT | | | | | | | | | | | |
| Opening Gross Carrying Amount | 29.57 | 429.70 | 15.96 | 1,656.86 | 5.73 | 22.93 | 22.90 | 57.28 | 1.16 | 11.74 | 2,366.25 |
| Additions | - | 1,322.54 | - | 1,570.75 | 33.75 | 47.58 | 6.88 | 0.96 | 5.38 | 0.55 | 3,011.35 |
| Disposals Adjustments | | | | | | | | | | | - |
| Closing Gross Carrying Amount | 29.57 | 1,752.24 | 15.96 | 3,227.61 | 39.48 | 70.51 | 29.78 | 58.24 | 6.54 | 12.29 | 5,377.60 |
| ACCUMULATED DEPRECIATION | | | | | | | | | | | |
| Opening Accumulated Depreciation | - | 162.73 | - | 676.98 | 1.90 | 21.62 | 15.20 | 29.45 | 0.59 | 13.06 | 951.52 |
| Depreciation charged during the year | | 22.19 | | 74.63 | 1.87 | 3.43 | 3.87 | 1.52 | 0.02 | 3.14 | 111.34 |
| Disposals Adjustments | | | | | | | | | | | - |
| Closing Accumulated Depreciation | - | 184.92 | - | 751.60 | 3.76 | 25.05 | 19.07 | 31.97 | 0.61 | 16.20 | 1,062.85 |
| Net Carrying Amount | 29.57 | 1,567.32 | 15.96 | 2,476.01 | 36.02 | 45.46 | 10.71 | 26.27 | 5.93 | 11.07 | 4,314.73 |
| | | | | | | | | | | | |
| Year ended March,2022 | | | | | | | | | | | |
| GROSS CARRYING AMOUNT | | | | | | | | | | | |
| Opening Gross Carrying Amount | 29.57 | 412.02 | 15.45 | 1,555.08 | 14.99 | 22.30 | 22.26 | 57.28 | 1.16 | 11.74 | 2,351.87 |
| Additions | - | 17.68 | 0.51 | 73.18 | 0.74 | 0.63 | 1.24 | - | - | 2.51 | 96.49 |
| Disposals Adjustments | - | - | - | - | - | - | 0.60 | - | - | - | 0.61 |
| Closing Gross Carrying Amount | 29.57 | 429.70 | 15.96 | 1,656.86 | 15.73 | 22.93 | 22.90 | 57.28 | 1.16 | 12.74 | 2,366.85 |
| ACCUMULATED DEPRECIATION | | | | | | | | | | | - |
| Opening Accumulated Depreciation | - | 148.90 | - | 616.67 | 11.36 | 2.52 | 13.17 | 26.91 | 0.45 | 11.76 | 830.75 |
| Depreciation charged during the year | - | 13.83 | - | 60.26 | 0.53 | 0.10 | 2.63 | 2.51 | 0.14 | 1.27 | 81.37 |
| Disposals Adjustments | - | - | - | - | - | - | 0.60 | - | - | - | 0.60 |
| Closing Accumulated Depreciation | - | 162.73 | - | 676.93 | 1.90 | 21.62 | 5.20 | 29.45 | 0.59 | 13.06 | 951.52 |
| Net Carrying Amount | 29.57 | 266.97 | 15.96 | 979.93 | 3.74 | 1.31 | 7.70 | 27.83 | 0.67 | 4.68 | 1,139.31 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Capital-work-in-progress as at 31.03.2023* | | | | | | | | | | 92.97 |
| Capital-work-in-progress as at 31.03.2022* | | | | | | | | | | 668.32 |
| Projects whose completion is overdue or has exceeded its cost compared to its original plan | | | | | | | | | | |

| NOTE NO. - 3 INTANGIBLE ASSETS | | Rs. in lakhs |
|---|---|---|
| Particulars | Owned Assets | |
| | Software | Total |
| Year ended March,2023 | | |
| Opening Gross Carrying Amount | 9.58 | 9.58 |
| Additions | - | - |
| Disposals Adjustment | - | - |
| Closing Gross Carrying Amount | 9.58 | 9.58 |
| ACCUMULATED DEPRECIATION | | - |
| Opening Accumulated Depreciation | 7.82 | 7.82 |
| Depreciation charge during the year | 1.24 | 1.24 |
| Disposals Adjustments | - | - |
| Closing Accumulated Depreciation | 9.06 | 9.06 |
| Net Carrying Amount | 0.52 | 0.52 |
| Year ended March,2021 | | |
| GROSS CARRYING AMOUNT | | |
| Opening Gross Carrying Amount | 9.58 | 9.58 |
| Additions | - | - |
| Disposals Adjustment | - | - |
| Closing Gross Carrying Amount | 9.58 | 9.58 |
| ACCUMULATED DEPRECIATION | | - |
| Opening Accumulated Depreciation | 6.05 | 6.05 |
| Depreciation charged during the year | 1.77 | 1.77 |
| Disposals Adjustments | - | - |
| Closing Accumulated Depreciation | 7.82 | 7.82 |
| Net Carrying Amount | 1.76 | 1.76 |

Note :
(a) There are no immovable properties whose title deeds are not in the name of the Company.
(b) The Company has not revalued Property, Plant and Equipment.
(c) The Company has not revalued its intangible assets
(d) The Company has capital work in progress
(e) There are no intangible assets under development

Ageing Capital Work-in Progress (CWIP)

| (a) CWIP ageing schedule as at 31/03/2023 | | | | | Rs. in lakhs |
|---|---|---|---|---|---|
| Particulars | Amount in CWIP for a period of | | | | |
| | Less than 1 years | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 92.97 | - | - | - | 92.97 |
| Projects temporarily suspended | - | - | - | - | - |

| (a) CWIP ageing schedule as at 31/03/2022 | | | | | Rs. in lakhs |
|---|---|---|---|---|---|
| Particulars | Amount in CWIP for a period of | | | | |
| | Less than 1 years | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 646.64 | [illegible] | | | 646.64 |
| Projects temporarily suspended | - | - | - | - | - |

SAB POLYMERS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31.03.2023

Note 4

| INVESTMENTS - NON CURRENT | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| b. Term Insurance | | |
| Investment in Equity Instruments | | |
| Investment in Subsidiaries | | |
| Unquoted (at cost) Investments in Equity Shares | | |
| 5000 (previous year 5000) Equity Shares of Rs.10 each fully paid up in SAB POLYMERS - Sri Lanka | 566.28 | 566.28 |
| | 566.28 | 566.28 |

Note 5

| OTHER NON - CURRENT LOAN | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| (a) Loan Receivables considered good - secured | - | - |
| (b) Loan Receivables considered good - unsecured | 0.97 | |
| (c) Loan Receivables which have significant increase in credit risk | - | - |
| (d) Loan Receivables - credit impaired | - | - |
| (e) Trade Receivables - non current | 1.97 | - |
| Less: Allowance for doubtful loans | 1.97 | - |

Note 6

| OTHER NON - CURRENT FINANCIAL ASSETS | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Security Deposits | 121.58 | 90.32 |
| | 121.58 | 90.32 |

Note 7

| OTHER NON-CURRENT ASSETS | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Capital Advances | 9.65 | 145.44 |
| Advances other than capital advances : | | |
| Security Deposit | 0.92 | 0.92 |
| With Statutory Authorities | 4.11 | |
| Other advances | 5.03 | 137.83 |

Note 8

| INVENTORIES | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| (At lower of cost and net realisable value) | | |
| Raw materials | 175.33 | 168.21 |
| Work-in-progress | 971.50 | 587.91 |
| Finished Goods | 497.66 | 207.01 |
| Stores and Spares | 149.97 | 38.13 |
| Packing Jars | 31.60 | 13.65 |
| | 1,826.06 | 1,014.92 |

Note 9

| TRADE RECEIVABLE | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| (a) Trade Receivables considered good - secured | - | - |
| (b) Trade Receivables considered good - unsecured | 1,093.24 | 1,217.83 |
| (c) Trade Receivables which have significant increase in Credit Risk | - | - |
| (d) Trade Receivables - credit impaired | - | - |
| | 1,093.24 | 1,217.83 |
| Less: Allowance for Doubtful Receivables | - | - |
| | 1,093.24 | 1,217.83 |

Note 9.1 : No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person or any firm or private companies in which any director is a partner or a director or a member other than due to normal course of business as mentioned in note 38

Trade receivables ageing schedule as

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (a) Undisputed Trade receivables considered good | 920.18 | | | | 173.06 | 1,093.24 |
| (b) Undisputed Trade receivables which have significant increase in credit risk | - | - | - | - | - | - |
| (c) Undisputed Trade Receivables - credit impaired | | | - | - | - | - |
| (d) Disputed Trade Receivables considered good | | | - | - | - | - |
| (e) Disputed Trade Receivables - credit impaired | | | | | - | - |
| (f) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - |
| Total | 920.18 | | | | 173.06 | 1,093.24 |

Trade receivables ageing schedule as

| Particulars | Outstanding for following periods from the date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Not due as at | Less than 6 months | 6 months - 1 year | 1-2 years | More than 2 years | Total |
| (i) Undisputed Trade receivables – considered good | | | | | | |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | | | | | | |
| (iii) Undisputed Trade Receivables – credit impaired | | | | | | |
| (iv) Disputed Trade Receivables considered good | | | | | | |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | | | | | | |
| (vi) Disputed Trade Receivables – credit impaired | | | | | | |
| Total | | | | | | |

Note 10

| CASH AND CASH EQUIVALENTS | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| (a) Balances with Banks | | |
| (i) In Current Account | | |
| (ii) In Deposit Account with maturity less than 3 months * | | |
| (b) Cash on hand | | |
| (c) Others | | |
| Total | | |

Note 11

| OTHER BANK BALANCES | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Deposit with more than 3 months but less than 12 months maturity from the date of the balance sheet ** | | |
| Total | | |

Note 12

| LOANS (A+B+C) (NET) | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| (a) Loan Receivables considered good - Secured | | |
| (b) Loan Receivables considered good - Unsecured | | |
| (c) Loan Receivables which have significant increase in credit risk | | |
| (d) Loan Receivables - credit impaired | | |
| Less: Allowance for doubtful loans | | |
| Total | | |

Note 13 - Net worth of the Company is not fully eroded by accumulated losses as at the end of the year. Accordingly, provisions of section 185 of the Companies Act, 2013 are not applicable to the Company.

Note 14 - Loans and advances to such persons as are specified in section 185(1) of the Companies Act, 2013

Loans and advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person

| Type of Borrower | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans & Advances in the nature of loans |
|---|---|---|
| Promoters | | |
| Directors | | |
| KMPs | | |
| Related Parties | | |
| Total | | |

Note 13

| OTHER CURRENT FINANCIAL ASSETS | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| [illegible] | [illegible] | [illegible] |

Note 14

| CURRENT TAX ASSETS | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Income tax Refund | - | [illegible] |
| | - | [illegible] |

Note 15

| OTHER CURRENT ASSETS | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Advances (other than capital advances) | | |
| Other advances : | | |
| Balance with government authorities | [illegible] | 112.56 |
| Advance against expenses | [illegible] | 5.64 |
| Prepaid expenses | 22.18 | [illegible] |
| Other receivables | 1.96 | 22.06 |
| | 409.12 | [illegible] |

Note 16

| SHARE CAPITAL : | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Authorized | | |
| [illegible] Equity Shares of Rs. 10/- each | 11,000.00 | 3,000.00 |
| [illegible] Rs. 10/- | 3,000.00 | 3,000.00 |
| Issued, subscribed and fully paid | | |
| [illegible] Equity Shares of Rs.10/- each fully paid up | 2,520.00 | 550.00 |
| | 2,520.00 | 1,550.00 |

| Reconciliation of number of shares : | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Face value per share (Rs.) | - | 10 |
| Number of Equity Shares outstanding at the beginning of the reporting period | [illegible] | [illegible] |
| No. of Equity Shares issued during the year | [illegible] | - |
| | [illegible] | [illegible] |
| Less : Shares bought back during the year | - | - |
| Number of Equity Shares outstanding at the end of the reporting period | [illegible] | [illegible] |

Name of the shareholder who holds more than 5% shares in the company

| Name of shareholder | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| | Class | No. of Shares | % | No. of shares | % |
| Sai Infrastructure Limited and nominees | Equity | [illegible] | [illegible] | [illegible] | [illegible] |
| Rajkumar Pandya (Late) | Equity | [illegible] | [illegible] | [illegible] | [illegible] |

| Shares held by promoters at the end of the year | | | % change during the year |
|---|---|---|---|
| Promoter name | No. of Shares | % of total Shares | |
| Sai Infrastructure Limited and its holding / Subsidiaries / associates | [illegible] | [illegible] | [illegible] |
| | [illegible] | [illegible] | |
| Total | [illegible] | [illegible] | [illegible] |

Shares held by holding Company

| | | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|---|
| Name of holding Company | Class | No. of shares | % of holding | No. of shares | % of holding |
| Sai Infrastructure Limited and nominees | Equity | [illegible] | [illegible] | [illegible] | [illegible] |

The Company has only one class of equity shares having face value of Rs. 10/- each. The holder of the equity shares is entitled to dividend right and voting right in the same proportion to the capital paid up on each equity share held. In the event of winding up of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in the same proportion as the capital paid up on the equity shares held by them bears to the total paid up equity share capital of the Company.

The Company has not allotted any bonus shares during the period of five years immediately preceding March 31, 2023.

The Company has not allotted any shares pursuant to contract without payment being received in cash.

There are no unpaid calls on equity shares.

No shares have been reserved for issue under options.

No equity shares have been forfeited.

Note - 7

**OTHER EQUITY**

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| 1.SHARE PREMIUM | | |
| Opening balance | 28[illegible] | 28[illegible] |
| Add: Addition during the year | [illegible] | - |
| Less: Transferred from Capital Work in Progress | [illegible] | - |
| | [illegible] | 28[illegible] |
| 2.GENERAL RESERVE | | |
| As per the last balance sheet | [illegible] | [illegible] |
| 3.CAPITAL ISSUE EXPENSES | | |
| As per the last balance sheet | - | - |
| Add: Addition during the year | [illegible] | [illegible] |
| Less: Transferred to Capital Work in Progress | [illegible] | - |
| | [illegible] | [illegible] |
| 4. RETAINED EARNINGS | | |
| As per the last balance sheet | [illegible] | [illegible] |
| Add: Balance of profit/loss in Statement of Profit & Loss | | - |
| Add: Surplus for the year | [illegible] | [illegible] |
| | [illegible] | [illegible] |
| Total | [illegible] | [illegible] |

*Profit or loss is transferred to Retained Earnings as per Section 2(40) of the Companies Act 2013

1. Share Premium

The amount received in excess of the face value of the equity shares is recognized in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Act.

2. General Reserve

The reserve is the amount transferred from the retained earnings after appropriations and adjustments. The reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

3.Retained Earnings

This reserve represents the cumulative profits of the company and can be utilised for distribution to shareholders. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

**Note - 8**

| BORROWINGS - NON CURRENT | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| | Current | Non Current | Current | Non Current |
| SECURED: | | | | |
| (a) Term Loans | | | | |
| from banks | | | | |
| CITI BANK | | | | |
| I. Term Loan CITI Business Emergency Credit Line (CUELAP) | - | - | [illegible] | - |
| II Term Loan Additional Business Emergency Credit Line (CUELAP) | [illegible] | [illegible] | [illegible] | [illegible] |
| III Term Loan Equipment Finance Credit Line (CUELAP) | [illegible] | [illegible] | | [illegible] |
| IV Term Loan - I | [illegible] | [illegible] | - | - |
| V Term Loan - II | [illegible] | [illegible] | | |
| VI IDBI Bank Term Loan | [illegible] | [illegible] | - | - |
| | [illegible] | [illegible] | [illegible] | [illegible] |

(i) Borrowings from CITI Bank is secured against equitable mortgage of land and building of the Company situated at Survey No. 81, Mevad Industrial Area, Mandi, Dahegam-[illegible] and by way of first charge on all current assets such as raw materials, finished goods, work in process, stores and spares, book debts and packing materials etc. The loan is repayable in 36 equal monthly instalments Rs. 2545[illegible] each commencing from 15th [illegible] and the last instalment is repayable on June 15, 2024. Rate of interest as on 31.03.2023 is [illegible]% per annum and is also secured by way of personal guarantee of Mr. Amit Desai, Director of the Company.

(ii) Borrowings from CITI Bank is secured against equitable mortgage of land and building of the Company situated at Survey No. 81, Mevad Industrial Area, Mandi, Dahegam-[illegible] and by way of first charge on all current assets such as raw materials, finished goods, work in process, stores and spares, book debts, and packing materials etc. The loan is repayable in 36 equal monthly instalments of Rs. [illegible]/- each commencing from December 15th, 2021 and the last instalment is repayable on December 15, 2024. Rate of interest as on 31.03.2023 is [illegible]% per annum and is also secured by way of personal guarantee of Mr. Amit Desai, Director of the Company.

(iii) Borrowings from CITI Bank is secured against equitable mortgage of land and building of the Company situated at Survey No. 81, Mevad Industrial Area, Mandi, Dahegam-[illegible] and by way of first charge on all current assets such as raw materials, finished goods, work in process, stores and spares, book debts, and packing materials etc. The loan is repayable in 36 equal monthly instalments of Rs. [illegible]/- each commencing from December 15th, 2021 and the last instalment is repayable on June 15, 2024. Rate of interest as on 31.03.2023 is [illegible]% per annum and is also secured by way of personal guarantee of Mr. Amit Desai, Director of the Company.

(iv) Borrowings from CITI Bank is secured against hypothecation of Vehicle No. [illegible]. The loan is repayable in [illegible] equal monthly instalments of Rs. [illegible]/- each commencing from June [illegible], 2022 and the last instalment is repayable on May 15, 2027. Rate of interest as on 31.03.2023 is [illegible]% per annum.

(v) Borrowings from CITI Bank is secured against hypothecation of Vehicle No. [illegible]. The loan is repayable in [illegible] equal monthly instalments of Rs. [illegible]/- each commencing from November 5th, 2022 and the last instalment is repayable on October 5, 2027. Rate of interest as on 31.03.2023 is [illegible]% per annum.

VII) Hypothecation of vehicle against the payment of interest

Note 19

| DEFERRED TAX LIABILITIES, (NET) | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Particulars | | |
| a Difference as per books | | |
| Opening | 12.67 | 12.67 |
| Difference as per books | 2.81 | 2.81 |
| Deferred tax assets | | - |
| Leave encashment | - | - |
| Net amount (Liability / Asset) at the end of the year | 2.81 | 2.81 |
| Deferred tax (asset) / liability | 15.48 | 15.48 |
| (Short / Excess Provision) | - | - |
| | 15.48 | 15.48 |

Note 20

| BORROWINGS (CURRENT) : | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| SECURED : | | |
| Current maturities of long term borrowings * | 251.03 | 17.05 |
| (Please refer note no. ) | | |
| **Repayable on demand** | | |
| From banks | | |
| Cash Credit facilities from ICICI Bank Ltd | 889.11 | 956.99 |
| | 1,140.14 | 974.05 |
| UNSECURED : | | |
| Repayable on demand | | |
| **From Bank** | | |
| Deutsche Bank (p.f.c.) Ltd. | | 48.52 |
| ICICI Bank Ltd. | 240.00 | 271.33 |
| Deutsche Bank (OD) Ltd. | 1.68 | 94.60 |
| **Others** | | |
| Inter Corporate Deposits | | 315.15 |
| From related parties (Refer Note 37) | - | |
| Vehicle Loan (Secured) | - | 78.08 |
| | 241.68 | 2,216.28 |
| | 413.73 | 2,216.33 |

a) Borrowings from ICICI Bank are secured against equitable mortgage of land and building of the company situated at 1/268-70, Mewar Industrial Area, Udaipur (Rajasthan) and hypothecation of first charge on all current assets, present and future including Book Debts, outstanding monies, receivables, claims and bills whether documented or not, present and future, of the Company. Rate of interest ranges from 7.25% to 12.25% per annum.

b) Guaranteed by Mr. Vipul Baid, Director and Mr. Rakesh Sethi, Whole time Director. Rate of interest ranges from 11.00% to 11.00% per annum.

c) Guaranteed by Mr. Vipul Baid, Director and Mr. Rakesh Sethi, Whole time Director of the Company. Rate of interest ranges from 7.25% to 9.10% per annum.

d) Guaranteed by Mr. Vipul Baid, Director and Mr. Rakesh Sethi, Whole time Director of the Company. Rate of interest ranges from 7.25% to 9.10% per annum.

e) Guaranteed by Mr. Vipul Baid, Director and Mr. Rakesh Sethi, Whole time Director of the Company. Rate of interest ranges from 7.25% to 11.00% per annum.

* Disclosure considered under the purview of current maturities

Note 21

| TRADE PAYABLES | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 553.09 | 978.96 |
| | 553.09 | 978.96 |

Trade payables ageing schedule as at 31st March 2023

| Particulars | Outstanding for following periods from the date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total | |
| (i) MSME | | | | | | |
| (ii) Undisputed dues | 553.09 | - | - | - | - | 553.09 |
| (iii) Disputed dues - MSME & small enterprises | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 553.09 | - | - | - | - | 553.09 |

Trade Payables ageing schedule as at 31st March 2022

| Particulars | Outstanding for following periods from the date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total | |
| (i) Undisputed - MSME & small enterprises | | | | | | |
| (ii) Undisputed dues | 978.96 | - | - | - | - | 978.96 |
| (iii) Disputed dues - MSME & small enterprises | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 978.96 | - | - | - | - | 978.96 |

Note 22

| OTHER CURRENT FINANCIAL LIABILITIES | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Interest on Loan | 2.11 | 7.48 |
| | 7.10 | 7.48 |

Note 23

| OTHER CURRENT LIABILITIES | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Statutory Liabilities | 54.56 | 44.56 |
| Advance from customers | 47.53 | 24.19 |
| Others | 109.09 | 49.26 |
| | 211.18 | 118.01 |

Note 24

| PROVISIONS | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Provision for Leave encashment | 2.48 | - |
| | 2.48 | - |

Note 25

| CURRENT TAX LIABILITIES | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Current tax (net of advance tax : 22.22 | 53.74 | - |
| Current tax (net of advance tax : 21.22 | - | 96.33 |
| | 53.74 | 96.33 |

Note 26

| REVENUE FROM OPERATIONS | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|
| (a) Manufactured Goods | 8,240.91 | 5,841.16 |
| (b) Traded Goods | 1,129.48 | 467.92 |
| (c) Service Income | | |
| (i) Job work | 31.55 | 119.35 |
| (ii) Commission (net) | 62.29 | 26.22 |
| | 93.84 | 145.57 |
| (d) Interest Income (Banks etc) | 19.45 | 19.02 |
| | 9,285.34 | 7,832.75 |

Note 27

| OTHER INCOME | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|
| (a) Rent | 10.56 | 11.14 |
| (b) Interest on financial assets at amortised cost | 22.75 | 2.86 |
| (c) Miscellaneous Income | 6.29 | 2.04 |
| (d) Foreign Exchange Fluctuations | 11.71 | 42.52 |
| (e) Subsidy-RIPS | - | 13.53 |
| | 150.45 | 74.03 |

Note 28

| COST OF MATERIALS CONSUMED | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|
| Opening Stock | 768.21 | 203.92 |
| Add: Purchases and Sub-contracts | 4,731.14 | 4,621.31 |
| | 5,499.35 | 4,825.23 |
| Less: Closing Stock | 275.77 | 168.21 |
| | 5,223.58 | 4,656.21 |

Note 29

| PURCHASES OF STOCK-IN-TRADE | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|
| Trading Goods | 1,019.75 | 1,212.15 |
| | 1,019.75 | 1,212.15 |

Note 30

| CHANGES IN INVENTORIES | For the year ended 31.03.2023 | | For the year ended 31.03.2022 | |
|---|---|---|---|---|
| Opening Stock : | | | | |
| Finished Goods | [illegible] | | [illegible] | |
| Add : Goods purchased and directly sold | [illegible] | | [illegible] | |
| | [illegible] | | [illegible] | |
| Work-in-progress | 587.51 | | 232.82 | |
| Add : Goods produced and retained | 8.05 | | [illegible] | |
| | [illegible] | 925.94 | [illegible] | 838.44 |
| Less : Closing Stock : | | | | |
| Finished Goods | [illegible] | | [illegible] | |
| Work-in-progress | [illegible] | | 587.51 | |
| | | 1,429.58 | | 748.93 |
| | | (503.64) | | (458.09) |

Note 31

| EMPLOYEE BENEFITS * | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|
| [illegible] | 245.19 | 187.84 |
| [illegible] | 19.85 | 15.37 |
| [illegible] | 11.16 | 8.51 |
| [illegible] | 14.99 | 15.47 |
| | 286.19 | 288.28 |

* [illegible]

Note 32

| FINANCE COSTS * | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|
| [illegible] | 175.01 | 15.48 |
| [illegible] | 3.94 | |
| [illegible] | 11.05 | - |
| [illegible] | 0.75 | 2.13 |
| | 190.94 | 188.08 |

* Net of interest capitalised of Rs 160.41 lakhs (Previous Year Rs 55.46 lakhs)

Note 30

| OTHER EXPENSES | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|
| Advertisement Expenses | 4.14 | 1.51 |
| Bad Debts written off | 0.03 | 21.51 |
| Bank Charges | Nil | 1.52 |
| Bank Commission and Charges | 25.61 | 18.53 |
| Business Promotion | 0.61 | 0.29 |
| Cartage Outward | 32.11 | 30.83 |
| Charity and Donations | - | 0.25 |
| Commission on Sales | 23.21 | 13.05 |
| Conveyance | 23.32 | 1.71 |
| Corporate Social Responsibility expenditure | 4.91 | |
| Consumption of stores and spare parts | 22.21 | 23.46 |
| Festival Expenses | 2.61 | 2.41 |
| Garden Sales Deductions | - | 0.05 |
| Gift, Prizes, Incentive expenses | 1.12 | 1.49 |
| Insurance, Bank & Service Charges | 1.86 | 1.36 |
| Electricity Charges | 343.61 | 335.76 |
| Export Freight, Insurance & other Expenses | 61.1.23 | 412.27 |
| Fitting, Weaving Expenses | 11.22 | 42.39 |
| Fees & Taxes | 1.02 | 0.22 |
| Food & Refreshment | 28.61 | 22.11 |
| Godown Rent | 6.29 | 7.49 |
| Inspection Charges of Cap | 1.56 | 0.64 |
| Insurance Charges | 8.11 | 8.90 |
| Interest Expenses | 1.19 | 7.67 |
| Job Charges | 67.23 | |
| Legal Exp | 2.56 | 12.56 |
| Legal & Professional Exp | 7.11 | 13.78 |
| Miscellaneous Expenses | 2.71 | 7.13 |
| Material handling Charges | 5.96 | 2.18 |
| Packing Material | 24.25 | 9.61 |
| Payment to Auditors | | |
| Power & Fuel | 0.23 | 0.24 |
| Printing and Stationery Expenses | 0.15 | 0.17 |
| Postage & Telegram | 5.27 | 2.91 |
| Printing Job | 51.76 | 39.61 |
| Rates & Taxes | 1.61 | 0.19 |
| Rebate, Claim & Discounts | 5.24 | 6.82 |
| Repairs & Maintenance - Others | 26.1 | 28.14 |
| Safety Protection Exp | 1.25 | 1.26 |
| Software Expenses | 2.2 | 2.05 |
| Sponsorship/Consulting Charges | 20.10 | 15.15 |
| Security Services | 1.84 | - |
| Stationery & Printing | 4.32 | 3.03 |
| Subscription & Membership | 6.22 | 2.44 |
| Telephone and Mobile | 2.84 | 2.31 |
| Travelling Expenses | 23.26 | 1.64 |
| Vehicle Running & Maintenance Expenses | 2.54 | 2.02 |
| Work on Job Approval Charges | 4.88 | 4.70 |
| Water Expenses | 2.30 | 1.42 |
| | 1,540.27 | 1,280.58 |

* Net of GST Expenses [ Previous Year Rs. 2.83 lakhs ] paid for construction of the Project/ Expenses adjusted against Share Premium Account

Note 31

| Additional Information | For the period ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|
| a) Depreciation and Amortisation | | |
| a) Depreciation expense | 111.33 | 81.33 |
| b) Amortisation expense | 1.21 | 1.81 |
| | 112.55 | 83.14 |
| c) Provision for Taxation * | | |
| Less MAT Credit Entitlement | 0.23 | 0.23 |
| Income tax adjustment - Expenses | 0.05 | 0.02 |
| | 0.28 | 0.25 |

* Includes Rs. 0.28 lakhs ( Previous Year Rs. 2.83 lakhs ) paid for construction of the Project/ Expenses adjusted against Share Premium Account

Note 35

**Earnings per share**

| | As on 31.03.2023 | As on 31.03.2022 |
|---|---|---|
| Earning per share is computed as under: | | |
| a) Profit for the year | 303.64 | 402.42 |
| b) Weighted average number of Equity shares outstanding for the purpose of basic earnings per share | 17587307 | 15590000 |
| c) Effect of potential Equity shares on account of stock options granted | | |
| d) Weighted average number of Equity shares outstanding for the purpose of diluted earnings per share | 17587307 | 15590000 |
| [d - c] | | |
| e) Earnings per share of face value of Rs 10 each | | |
| (Basic) (a/b) | 1.71 | 2.58 |
| (Diluted) (a/d) | 1.71 | 2.58 |

**Note 36**

Capital and other financial commitments

(a) Capital Expenditure

Rs. in lakhs

| Particulars | 31st March,2023 | 31st March, 2022 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital accounts and not provided for | 0.78 | 2.61 |
| Total | 0.78 | 2.61 |

*Net of deposit

It is not practicable for the Company to estimate the timings of cash flows, if any, in respect of the above.

(b) Contingent Liabilities

Rs. in lakhs

| | | |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital accounts and not provided for | - | 775.42 |
| GUARANTEES | 31st March,2023 | 31st March, 2022 |
| (a) Guarantees issued by the Bank | 700.00 | 500.00 |
| (b) Counter guarantees on behalf of subsidiaries | | |
| (c) Corporate guarantees by the Company to the Bank against credit facilities provided to Related Parties/ private Limited | 700.00 | 1.00 |

Note 37

Financial Instruments and Related Disclosures

I. Capital Management

The Company's capital management is to provide adequate returns to shareholders by leveraging appropriate mix of capital and maintain and sustain future growth of the business.

The Company's objectives when managing capital are to

• safeguard the Company's ability to continue as a going concern, so that the Company can continue to provide returns for shareholders and benefits for other stakeholders and

• maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term strategic investment and expansion plans. The funding requirements are met through equity and other long term/short term borrowings. The Company's Board of Directors reviews and approves the Company's strategic plan, funding plan and dividend payout ratio taking into account the amount required for achievement of the Company's strategic objectives.

Value Chain Company functions operations through internal accruals, borrowings etc. The Company aims at maintaining a strong capital base, inter alia, towards supporting the future growth of the business over a long term.

The Company is not subject to any capital requirements. The Company has issued 1,75,87,307 equity shares of Rs. 10 each at a premium of Rs. 55/- per share. The securities were listed on the BSE Limited (SME Platform) and NSE Limited (SME Platform) with effect from 17.01.2023. With this the paid up share capital of the company stood at Rs. 25,79,40,000/- and Securities Premium at Rs. 9,67,68,285/- after adjusting for the public issue expenses.

2. Categories of Financial Instruments

| Particulars | Note | As at 31st March 2023 | | As at 31st March,2022 | |
|---|---|---|---|---|---|
| | | Carrying Value | Fair Value | Carrying Value | Fair Value |
| A Financial assets | | | | | |
| a) Measured at amortised cost | | | | | |
| i. Cash and cash equivalents | 9 | 1,00,014 | 1,00,014 | 175.15 | 175.15 |
| ii. Other Bank balances | 10 | 1,389.90 | 1,389.90 | 99.22 | 99.22 |
| iii. Bank deposits | 8 | 1,647.24 | 1,647.24 | 1,217.84 | 1,217.84 |
| iv. Other financial assets | 6&7 | 122.31 | 122.31 | 94.52 | 94.52 |
| Total financial assets | | 4,139.61 | 3,329.68 | 1,486.72 | 1,486.72 |
| B Financial Liabilities | | | | | |
| a) Measured at amortised cost | | | | | |
| i. Cash Credit facilities | 15 | 382.11 | 382.11 | 64.19 | 64.19 |
| ii. Term loans - Non current | 16 | 643.58 | 643.58 | 121.19 | 121.19 |
| iii. Trade payables | 20 | 4,853.70 | 4,853.70 | 938.96 | 938.96 |
| iv. Other financial liabilities | 21 | 2.10 | 2.10 | 2.26 | 2.26 |
| Total financial liabilities | | 5,782.48 | 5,881.68 | 1,334.99 | 1,394.59 |

**3 : FINANCIAL RISK MANAGEMENT**

The activities of the Company expose it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company does regularly monitor, analyse and manage the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

**A. MANAGEMENT OF MARKET RISK:**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk include borrowings and investments. The Company's risk management activities are exposed to a variety of market risks, including currency and interest rate risks.

**(i) Management of interest rate risk:**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks as its borrowings and investments are all on fixed rate instruments.

**(ii) Management of price risk:**

The Company has no surplus for investment in debt mutual funds/ deposits etc. The Company does make deposit with Bank but has to provide security/ margin against guarantee given by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

**(iii) Management of currency risk:**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures etc. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk: The Company has exposure only in USD/EURO converted to functional currency i.e INR.

The currency profile of financial assets and financial liabilities as at March 31st, 2023 and March 31, 2022 are as below:

Rs. In Lakhs

| Financial assets | Exposure currency | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|---|
| Trade receivables | USD | 419.11 | 521.10 |
| | EURO | 183.03 | 47.69 |
| | CHF | 74.91 | 50.04 |
| Trade payable | USD | 11 | 0 |
| | EURO | 0 | 1 |
| | | 677.28 | 617.33 |

**Sensitivity analysis**

A reasonably possible 5% strengthening (weakening) of the Indian Rupee against USD, EURO at March 31 would have affected the measurement of financial instruments denominated in USD, EURO and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular, interest rates, remain constant and ignores any impact of forecast sales and purchases.

Rs. In Lakhs

| | As at | Strengthening | Weakening |
|---|---|---|---|
| Profit/ (Loss) | 31.03.2022 | 30.96 | 33.84 |
| | 31.03.2021 | 55.86 | 55.86 |

**B. MANAGEMENT OF CREDIT RISK:**

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and financial transactions, including deposits with banks and financial institutions.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

The Company's historical experience in collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. A provision matrix is established, taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Trade allowances and impairment is recognised where considered appropriate by responsible management.

**C- MANAGEMENT OF LIQUIDITY RISK:**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to use internal accruals and other options available to meet its obligations. The Company closely monitors its liquidity position and has a cash management system. The Company's principal sources of funding (existing debt and cash flows from operations) and its ability to borrow funds in the short and medium term, are sufficient to meet its current and future financial needs.

The Company's Current assets aggregate to Rs.6951.32 lakhs( 2022 - Rs. 3322.50 Lakhs) including Cash and cash equivalents and Other bank balances of Rs. 2140.93 lakhs( 2022 - Rs. 1187.37 lakhs) against an aggregate current liability of Rs 2298.16 lakhs( 2022 - Rs 3535.79 Lakhs). Non current liabilities due between one year to three years amounting to Rs. 645.00 Lakhs ( 2022 - 121.19 Lakhs) and Non current liability due after three years amounting to Nil( 2022 - Nil) as on the reporting date. Further, while the Company's total equity stands at Rs. 6406.09 lakhs( 2022 - Rs. 2366.71 Lakhs), it has long term borrowings of Rs. 643.28 lakhs( 2022 - Rs. 121.19). In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

**D Fair value measurement**

**Fair value hierarchy**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1 (quoted prices (unadjusted) in active market for identical assets or liabilities)

Level 2 - inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are long-term in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. If no fair, unquoted equity instruments when recent pricing information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis

| | Particulars | Fair value hierarchy | As at 31st March,2023 | | As at 31st March,2022 | |
|---|---|---|---|---|---|---|
| | | | Fair Value | | Fair Value | |
| A | Financial assets | | | | | |
| (i) | Measured at amortised cost | | | | | |
| | (a) Cash and cash equivalents | L2 | [illegible] | | [illegible] | |
| | (b) Other Bank Balances | L2 | [illegible] | | [illegible] | |
| | (c) Trade receivables | L2 | [illegible] | | [illegible] | |
| | (d) Other financial assets | L2 | [illegible] | | [illegible] | |
| | Total financial assets | | 5329.61 | | 1476.99 | |
| B | Financial Liabilities | | | | | |
| (i) | Measured at amortised cost | | | | | |
| | (a) Trade Credit facilities | L2 | [illegible] | | [illegible] | |
| | (b) Current loans | L2 | [illegible] | | [illegible] | |
| | (c) Trade payables | L2 | [illegible] | | [illegible] | |
| | (d) Other financial liabilities | L2 | [illegible] | | [illegible] | |
| | Total financial liabilities | | 2511.51 | | 1435.64 | |

Note 38

Disclosure in respect of related parties pursuant to Ind AS 24

a) Holding Company

01] Sat Industries Limited

b) Subsidiary

01] Bishop Polyweave Private Limited

c) Fellow Subsidiary

Nalini Furniture (Private Limited) (since amalgamated with Sat Industries Limited)

d) Key Managerial Personnel

01] Mr. Hukam Sadiq Sir Perwani, Whole-time Director

02] Mr Murtaza Ali Wali, Chief Executive Officer

03] Mr. Asad Daud, Director

04] Mr. Lalit Kumar Dutta, Chief Financial Officer

05] Mrs Rumi Saxena, Company Secretary

(e) Trust

Rahat Trust

During the year following transactions were carried out with the related parties in the ordinary course of business on arm's length price

| Name of related party | Nature of relation | For the period ended on 31/03/2023 | For the year ended on 31/03/2022 | Nature of transaction |
|---|---|---|---|---|
| Bishop Polyweave Private Limited | Subsidiary | 1,274.12 | 387.64 | Purchases |
| | | 2.40 | 2.39 | Purchase Machine |
| | | 1,258.76 | 111.91 | Sales |
| | | 84.00 | 12.00 | Job Work |
| | | 13.17 | 7.96 | Interest |
| | | 45.14 | | Loan Given |
| | | 4.39 | - | Interest received |
| | | 21.91 | 59.11 | Job work receipt |
| Sat Advisors Limited | Holding Company | 430.00 | 1,993.93 | Loan Taken |
| | | 1,080.00 | 3,193 | Loan Repayment |
| | | 86.18 | 2.40 | Interest Paid |
| | | - | 18 | Export Incentive |
| | | 0.42 | 1.34 | Right Received |
| Remuneration | Key Managerial Personnel | 9.11 | 18.91 | Remuneration |
| Rahat Charitable Trust | Director's Relative | 1.15 | 0 | CSR Expenditure |

| Closing balances | | |
|---|---|---|
| Name | As at 31-03-2023 | As at 31-03-2022 |
| Sat Industries Limited | | Dr. 0.00** |
| Bishop Polyweave Private Limited | 41.22* | 20.14* |
| Closing balances of the year of other parties (if any) | | |

*debit balance, **nil balance

No allowance in respect of the related parties have been written off, back and provided for during the year

Related party relationship has been identified by the Management and relied upon by the auditors

Terms and conditions of transactions with related parties:

The sale to and purchases from related parties are made in the ordinary course of business and priced on the price list of the items that would be available to third parties

The loans to and from from related parties are made in the ordinary course of business and are on arm's length basis based on the price lists in force and terms that would be available to third parties.

Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. No provisions are held against receivables from related parties

**Note 39**

**EMPLOYEE BENEFITS**

**a) DEFINED CONTRIBUTION PLAN**

Provident Fund

The contributions to the Provident Fund for employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution

**b) DEFINED BENEFIT PLAN**

Gratuity:

The Company has a policy in the Employees' Group Gratuity Scheme of Life Insurance Corporation India Ltd., a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity (Amendment) Act, 1997, or as per the Company's scheme whichever is more beneficial to the employees.

The liability for the Defined Benefit Plan is provided on the basis of actuarial valuation using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

**Provident Fund:**

The Company makes Provident Fund contribution to the Government administered Provident Fund. The Company has no part to play in this respect.

**c) Amounts Recognised as Expense:**

**i) Defined Contribution Plan**

Employee's Contribution to Provident Fund reflecting contribution of the Employer Person Fund amounting to Rs. [illegible] Lakhs (previous year Rs. 12.39 Lakhs) has been included under Contribution to Provident and other Funds

**ii) Defined Benefit Plan**

Gratuity cost amounting to Rs. 11.16 Lakhs (previous year Rs. 3.43 Lakhs) has been included in Note 31 under Contribution to Provident and Other Funds

**Note 40**

**TAX RECONCILIATIONS**

Rs. in Lakhs

| | Period ended March 31,2025 | Year ended March 31,2024 |
|---|---|---|
| **Tax expense recognised in the Statement of Profit and Loss** | | |
| **Current Tax** | | |
| Current tax pertaining to the current | [illegible] | [illegible] |
| Deferred tax Net | [illegible] | [illegible] |
| Tax income/tax expense | [illegible] | [illegible] |

Reconciliation of tax expenses and the accounting profit

The reconciliation between estimated income tax at statutory income tax rate and income tax expenses reported in Statement of Profit and Loss is given below

| | Period ended March 31,2025 | Year ended March 31,2024 |
|---|---|---|
| Profit before income tax | [illegible] | [illegible] |
| Indian statutory income tax rate | [illegible] | [illegible] |
| Expected income tax expense | [illegible] | [illegible] |
| **Tax effect of adjustment to reconcile expected income tax expense to reported income tax Expense** | | |
| Tax effect of expenses that are not deductible in determining taxable profit | - | - |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income | - | - |
| Tax expense due to [illegible] | [illegible] | [illegible] |
| MAT credit adjustments | [illegible] | [illegible] |
| Others | [illegible] | [illegible] |
| | [illegible] | [illegible] |
| Total income tax expenses | [illegible] | [illegible] |
| Effective Tax Rate | 4.85 | 21.10 |

Deferred Tax (Liabilities)

| | Period ended March 31,2025 | Year ended March 31,2024 |
|---|---|---|
| **Property, Plant and Equipment** | [illegible] | 2.41 |
| Others | [illegible] | - |
| Total deferred tax liabilities | 85.03 | 2.81 |

Deferred Tax Assets

| | Period ended March 31,2025 | Year ended March 31,2024 |
|---|---|---|
| **Provisions** | | |
| Others | [illegible] | - |
| Total deferred tax Assets | [illegible] | - |

| | | |
|---|---|---|
| Net Deferred tax (Liabilities)/Assets | 85.03 | 2.81 |

Movement in Deferred tax Liabilities/Assets

| | Property plant and equipment | Other deferred tax liabilities | Provisions | Other Deferred Tax Assets | Deferred Tax Liabilities/Assets (Net) |
|---|---|---|---|---|---|
| As at 31st March 2024 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| (Charged)/credited to profit and loss account | [illegible] | [illegible] | - | - | [illegible] |
| As at 31st March 2024 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| (Charged)/credited to profit and loss account | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| As at 31st March 2025 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

The company reports tax assets and liabilities gross only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income taxes, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant temporary differences will be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. The company considers the scheduled reversal of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

| Tax Credit carried forward | | As at March 31,2025 | Expiry date | As at March 31,2024 | |
|---|---|---|---|---|---|
| 2022-23 | | [illegible] | [illegible] | [illegible] | |

**Note 41**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond the 45 days. There are no unpaid amounts or amount of interest due that were payable for the period where the principal has been paid but after the date under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued and remaining unpaid at the end of accounting year. Accordingly, there were no amounts due or further interest due and payable. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

| Information relating to the Micro, Small and Medium Enterprises | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| (a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year<br>i) Principal amount | - | - |
| (b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| (c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |
| (d) The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| (e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

**Note 42**

**SEGMENT INFORMATION**

The Company operates in two primary business segments viz. Manufacturing, Textiles & Wood Products viz. Construction Material and Retailing, Services

As per Ind AS 108 "Operating Segments", the segments are identified as under

**Primary:**

| Particular | Year Ended 31.03.2023 | Year Ended 31.03.2022 |
|---|---|---|
| **Segment Revenue** | | |
| Manufacturing | 5,214.14 | 5,145.90 |
| Trading | 1,480.77 | 1,314.77 |
| Finance | 0.43 | 108.62 |
| **Total** | **6,235.54** | **6,572.75** |
| Other income | 150.28 | 71.03 |
| **Total Revenue** | **6,385.82** | **6,616.78** |
| **Segment results** | | |
| Manufacturing | 771.04 | 296.47 |
| Trading | 67.87 | 80.63 |
| Finance | 58.06 | 63.00 |
| **Total Segment Results** | **2601.12** | **440.10** |
| Other income | 150.28 | 211.03 |
| **Profit before tax** | 410.09 | 514.78 |
| Provision for tax | 104.06 | 112.71 |
| **Profit after tax** | 305.04 | 402.42 |
| **Segment Assets** | | |
| Manufacturing | 10,509.21 | 5,503.96 |
| Trading | - | - |
| Finance | 1,921.01 | 695.61 |
| **Total** | **11,703.12** | **6,199.20** |
| **Segment Liabilities** | | |
| Manufacturing | 2,350.30 | 3,204.23 |
| Trading | 155.01 | 49.76 |
| Finance | 282.10 | 554.47 |
| **Total** | **3,293.43** | **3,808.46** |
| **Capital employed** | **8,409.69** | **2,386.74** |
| **Capital Expenditure** | | |
| Manufacturing | 1,993.35 | 44.72 |
| Trading | - | - |
| Finance & Investment | - | - |
| **Total** | - | - |
| **Depreciation and amortisation** | | |
| Manufacturing | 72.55 | 85.41 |
| Trading | - | - |
| Finance & Investment | - | - |
| **Total** | 113.85 | 85.84 |

| Securities | | (Rs. in Lakhs) |
|---|---|---|
| Current Investments (Quoted) | March 31,2023 | March 31,2022 |
| Non-current Assets - Trade Receivables | | |
| Current Assets - Trade Receivables | | |
| Total Trade Receivables | | |

**Note 43**

The Company has elected not apply the Indian Accounting Standard [Ind AS 116] leases to acquire for those leases where the underlying asset is of low value

**Note 44**

Balances of loans, sundry debtors and trade payables - current liabilities are as on 31.03.2023 are subject to confirmation and reconciliation

**Note 45**

In the opinion of the Management, there is no impairment of assets in accordance with the Ind AS 36 as on the Balance Sheet date

**Note 46**

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end

**Note 47**

There are no significant subsequent events that would require adjustments to the assets in the financial statements as on the balance sheet date

**Note 48**

These financial statements were approved for issue with a resolution of the Board of Directors on March 6, 2023

**Note 49**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimal thereof as per the requirements of Schedule III to the Companies Act,2013, unless otherwise stated.

**Note 50**

Previous year's figures have been reclassified /regrouped wherever necessary to conform with the current Financial Statements

**Note 51**

No proceedings has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act 1988 and rules made thereunder.

**Note 52**

The Company has borrowings from banks on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts

**Note 53**

The Company is not a Declared Willful defaulter by any bank or financial institution or other lender

**Note 54**

The Company has no transaction with companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act 1956

**Note 55**

There is no charges or satisfaction yet to be registered with ROC beyond the statutory period

**Note 56**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act,2013 read with the Companies (Restriction on number of Layers) Rules 2017

**Note 57**

Ratios

| Particulars | Numerator/Denominator | As at 31st March 2023 | As at 31st March 2022 | Explanation for any change in ratio by more than 25% as compared to previous year |
|---|---|---|---|---|
| (a) Current ratio | Current Assets / Current Liabilities | 2.90 | 1.93 | Due to increase in current assets |
| (b) Debt-equity ratio | Total Debt / Shareholder's Equity | 0.32 | 1.67 | Increase in shareholder equity due to initial public offer of equity shares |
| (c) Debt Service Coverage Ratio | Earnings Available for debt service / Debt Service | 3.01 | 5.67 | Less margin on repayment of debts |
| (d) Return on Equity Ratio | Net profit after taxes / Average Shareholder's equity | 0.16 | 0.18 | Due to increase in increase in shareholders equity on account of initial public issue |
| (e) Inventory turnover ratio | Sales / Average Inventory | 5.01 | 8.99 | Increase in revenue due to increase in operations due to production capacity at the beginning of the year |
| (f) Trade Receivables turnover ratio | Net credit sales / Average accounts receivable | 2.24 | 1.02 | Better collection system in relation to receivables |
| (g) Trade Payables turnover ratio | Net credit purchases / Average Trade Payables | 2.48 | 10.15 | Due to cash liquidity purchases were made on credit basis |
| (h) Net capital turnover ratio | Net Sales / Working capital | 91 | (3.49) | Increase in sales |
| (i) Net profit ratio | Net profit / Net sales | 0.04 | 0.05 | Increase in revenue due to higher operations |

| | | | |
|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] | [illegible] |

**Note 58**

[illegible] has been approved by the Company's Authority in terms of section [illegible] of the Companies Act, 2013.

**Note 59**

Utilisation of borrowed funds and share premium

(a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Company has not received any fund from any other person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding (whether recorded in writing or otherwise) that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Note 60**

There is no transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, previously unrecorded income and related assets existing as per the books of account during the year).

**Note 61**

The Company has used the borrowings from banks and financial institutions for the specific purpose for which loans were taken as at the Balance sheet date.

**Note 62**

Expenditure incurred on corporate social responsibility activities

Expenditure incurred under Section 135 of the Companies Act, 2013 on Corporate Social Responsibility activities (Refer Note 47(c)) are as follows:

| | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| (i) Gross amount required to be spent by the Company during the year | [illegible] | - |
| (ii) Amount spent during the year on | | |
| (a) Construction/acquisition of any asset | - | - |
| (b) On purposes other than (a) above | | |
| Paid | [illegible] | |
| Expenses | [illegible] | - |

[illegible]

**Note 63**

The Company has done an assessment to identify Core Investment Company (CIC) (including CICs in the Group) as per the Revised guidelines of Reserve Bank of India (including Core Investment Companies (Reserve Bank) Directions, 2016). The Company is not a CIC and no entities have been identified as CIC in the Group of which Company is a part.

**Note 64**

Revenue from contracts with customers differ from the revenue as per contracted price due to factors such as taxes recovered, volume rebate discounts, etc.

**Note 65**

The Company has assets (equipments etc.) on a lease term of 12 months or less. The Company applies the 'short term lease' recognition exemption for these leases. The Company also has certain leases of assets of low value. The Company applies 'low value lease' recognition exemption for these leases.

**Note 66**

The Company has neither any long term contracts nor derivatives as at March 31, 2023.

**Note 67**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**Note 68**

The Parliament of India has introduced the Code of Social Security, 2020 vide which may impact the contributions by the company towards Provident Fund, Gratuity and ESIC. The Ministry of Labour and Employment has released draft rules for the Code on September 13, 2020. However, the rules have not been finalised. The company will assess the impact of the Code when it comes into effect and will record related impact, if any.

**Note 69**

Disclosures pursuant to Section 186 (4) of the Companies Act, 2013

(a) For details refer to note 35. (The company has been utilised by the recipient for its business.)

(b) No security has been provided.

(c) Details of the loans provided during the year are as under:

| Name of the borrower | Amount given during the year (Rs. in Lakhs) | Tenure | Rate of interest | Utilised |
|---|---|---|---|---|
| [illegible] Limited | [illegible] | [illegible] on demand | [illegible] per annum | [illegible] |

**Note 70**

The Board of Directors of the Company has recommended Final Dividend of Rs. 2.50 per Equity Share for the financial year ended 31st March, 2023 (for the year ended 31st March, 2022 Nil) subject to approval of members at the ensuing Annual General Meeting and has not been included as a liability in these financial statements.

**Note 71**

Events after the Reporting Period

The Board of Directors have recommended dividend at Rs. 0.40 per fully paid up equity share of Rs.10/- each for the financial year 2022-23

As per our Audit report of even date attached

For and on behalf of the Board

For H.R. JAIN & CO.
Chartered Accountants
FRN : 000280C

H.R. JAIN & CO.
CHARTERED ACCOUNTANTS

Manoj Jain
Proprietor
M.No. 009459
Udaipur, May 8, 2023

UDIN: 23400959BGUT2W9666

SAKIM SAGIR ALI HAWA
Managing Director
DIN: 00119156

ASAD HAQUE
Director
DIN: 02481580

ARTABAN ALI KHAN
Whole-time Director
DIN: 01836224

ARJUN KUMAR JOSHI
Chief Financial Officer

RUSHI SANGAVI
Company Secretary
M No. 29022

**INDEPENDENT AUDITOR'S REPORT**

**Report on the Audit of the Consolidated Financial Statements**

**To the Members of Sah Polymers Limited**

**Opinion**

We have audited the accompanying consolidated financial statements of **Sah Polymers Limited** (hereinafter referred to as the "Holding Company") and its subsidiary Company - **Fibcorp Polywcave Private Limited** (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31,2023, and the consolidated statement of Profit and Loss, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, the consolidated Profit and consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

On the facts and circumstances of the Group and the audit, we determine that there are no key Audit matters to communicate.

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**2Other Information**

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the

Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our

opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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**Other Matters**

(a) We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of Rs. 1513.14 lakhs (after consolidated adjustments) as at 31st March, 2023 total revenues of Rs.2657.00 lakhs (after consolidated adjustments) and net cash inflows (after consolidated adjustments) amounting to Rs. 65.17 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

**Report on Other Legal and Regulatory Requirements As required by Section 143(3) of the Act, we report, to the extent applicable, that:**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order

2.(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the

Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure- "B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.

(i) There were no pending litigations which would impact the consolidated financial position of the Group.

(ii) The Group did not have any material foreseeable losses on long term contracts including derivative contracts.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

(iv) (a) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, has represented to us and to the other auditors of such subsidiaries, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its subsidiary company to or in any other person(s) or entity(ies), including foreign ~~entities ("Intermediaries"), with the understanding~~, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company and its subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under

the Act, has represented to us and to the other auditors of such subsidiaries that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Holding Company and its subsidiary company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its subsidiary company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our attention or other auditor's notice that has caused us or the other auditors to believe that the representations under sub clause (i) and (ii) of Rule 11 (e) as provided under (a) and (b) above, contain any material misstatement.

(v) During the year the Holding Company and its subsidiary company have neither paid or declared any dividend requiring compliance with Section 123 of the Act.

**For H R JAIN & CO.,**
**Chartered Accountants**
**Firm's Registration No. 000262C**

**Manoj Jain**
**Partner**
**Place of signature: Udaipur**
**Membership No.: 400459**
**Date: May 18 , 2023**
**ICAI UDIN:** 23400459BGUJZX8157

**Annexure - A to the Independent Auditor's Report (Referred to in paragraph 8 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

In terms of the information and explanations sought by us and given by the Company and to the best of our knowledge and belief, we state that:

(i) There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

**For H R JAIN & CO.,**
**Chartered Accountants**
**Firm's Registration No. 000262C**



**Manoj Jain**
**Partner**
**Place of signature: Udaipur**
**Membership No.: 400459**
**Date: May 18 , 2023**
**ICAI UDIN** 23400459BGUJZX8157

**Annexure - B to the Independent Auditor's Report**

**(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Report on the Internal Financial Controls with reference to Financial Statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2023, we have audited the internal financial controls over financial reporting of **Sah Polymers Limited** (hereinafter referred to as "the Parent") and its subsidiary company **Fibcorp Polyweave Private Limited**, which are companies incorporated in India, as of that date

**Management's Responsibility for Internal Financial Controls**

The respective Boards of Directors of the Parent, its subsidiary companies and , its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial

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controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to five subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

**For H R JAIN & CO.,**
**Chartered Accountants**
**Firm's Registration No. 000262C**

**Manoj Jain**
**Partner**
**Place of signature: Udaipur**
**Membership No.: 400459**
**Date: May18, 2023**
**ICAI UDIN:** 23400459BGWJZX8157

310 313, Arihant Plaza, Near State Bank of India, Udiyapole, Udaipur-313001
: 97853 90875 . hrjainca@gmail.com

## SAH POLYMERS LIMITED

### CONSOLIDATED BALANCE SHEET

(Rs. in lakhs)

| Particulars | Note | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| (1) **Non-current assets** | | | | | |
| (a) Property, Plant and Equipment | 5 | | 4,426.28 | | 1,557.70 |
| (b) Capital work-in- Progress | 5 | | 92.97 | | 668.44 |
| (c) Investment Property | | | | | |
| (d) Goodwill | | | 307.81 | | 307.81 |
| (e) Other Intangible Assets | 5 | | 0.52 | | 1.76 |
| (f) Intangible assets under development | | | | | |
| (g) Biological Assets other than bearer plants | | | | | |
| (h) Financial Assets | | | | | |
| (i) Investments | | | - | | - |
| (ii) Trade receivables | | | | | |
| (iii) Loans | 4 | 1.97 | | - | |
| (iv) Others | 5 | 133.04 | 135.01 | 66.88 | 66.88 |
| (i) Deferred tax assets (net) | | | | | |
| (j) Other non-current assets | 6 | | 5.68 | | 147.82 |
| (2) **Current assets** | | | | | |
| (a) Inventories | 7 | | 2,551.36 | | 1,559.34 |
| (b) Financial Assets | | | | | |
| (i) Investments | | | | | |
| (ii) Trade receivables | 8 | 1,614.37 | | 1,385.58 | |
| (iii) Cash and cash equivalents | 9 | 1,061.34 | | 189.78 | |
| (iv) Bank balances other than (iii) above | 10 | 1,089.99 | | 59.22 | |
| (v) Loans | 11 | 840.73 | | 685.22 | |
| (vi) Others | 12 | 6.96 | 4,613.39 | 12.27 | 2,332.07 |
| (c) Current Tax Assets (Net) | 13 | | - | | 3.41 |
| (d) Other current assets | 14 | | 482.73 | | 221.50 |
| **Total Assets** | | | 12,615.85 | | 6,866.73 |
| **EQUITY** | | | | | |
| (a) Equity Share Capital | 15 | 2,579.60 | | 1,599.60 | |
| (b) Other Equity | | - | | - | |
| Equity attributable to the owner of the parent | 16 | 5,483.88 | | 845.05 | |
| Non- controlling Interest | | 294.70 | 8,358.18 | 260.16 | 2,664.81 |
| **LIABILITIES** | | | | | |
| (1) Non-current liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | 17 | 845.58 | | 145.25 | |
| (ia) Lease liabilities | | | | | |
| (ii) Trade payables | | | | | |
| (iii) Other financial liabilities(other than those specified in item (b) ) | | | 845.58 | | 145.25 |
| (b) Provisions | | | | | |
| (c) Deferred tax liabilities (Net) | 18 | | 168.18 | | 143.13 |
| (d) Other non-current liabilities | | | | | |
| (2) Current liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | 19 | 1,639.21 | | 2,898.58 | |
| (ia) Lease liabilities | | | | | |
| (ii) Trade payables | 20 | | | | |
| (A)Total outstanding dues of micro enterprises and small enterprises | | | | | |
| (B)Total outstanding dues of creditors other than micro enterprises and small enterprises | | 813.07 | | 785.40 | |
| (iii) Other financial liabilities(other than those specified in item(c) | 21 | 2.10 | 2,474.38 | 2.46 | 3,686.44 |
| (d) Other current liabilities | 22 | | 287.45 | | 130.79 |
| (e) Provisions | 23 | | 14.81 | | - |
| (d) Current Tax Liabilities (Net) | 24 | | 67.27 | | 86.33 |
| **Total Equity and Liabilities** | | | 12,615.85 | | 6,866.73 |
| See accompanying notes to the financial statements | 1 to 71 | | - | | - |

As per our Audit report of even date attached.

for and on behalf of
H.R. JAIN & CO.,
Chartered Accountants
FRN 000262C

Manoj Jain
Proprietor
M.No. 400459
Udaipur, May 18,2023
UDIN: 23400459BGUTZH2157

for and on behalf of the Board

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

MURTAZA ALI MOTI
Wholetime Director
DIN : 07976224

ASAD DAUD
Director
DIN: 02491539

LALIT KUMAR BOLIA
Chief Financial Officer

RUNEL SAXENA
Company Secretary
M.No 28022

## SAH POLYMERS LIMITED

### CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(Rs in lakh)

| | Particulars | Note no. | As on 31.03.2023 | | As on 31.03.2022 | |
|---|---|---|---|---|---|---|
| | | | Amount in Rupees | | Amount in Rupees | |
| I | Revenue from operations | 25 | | 9,539.92 | | 8,051.14 |
| II | Other income | 26 | | 181.70 | | 72.31 |
| III | Total Income (I+II) | | | 9,721.62 | | 8,123.45 |
| IV | Expenses | | | | | |
| | Cost of Materials consumed | 27 | | 5,691.50 | | 4,731.56 |
| | Purchases of Stock-in-Trade | 28 | | 630.73 | | 1,232.15 |
| | Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 29 | | (587.28) | | (331.24) |
| | Employee benefits expense | 30 | | 443.68 | | 315.32 |
| | Finance costs | 31 | | 222.06 | | 123.50 |
| | Depreciation and amortization expense | 5 | | 140.53 | | 100.65 |
| | Other expenses | 32 | | 2,668.20 | | 1,402.26 |
| | Total expenses | | | 9,209.22 | | 7,574.20 |
| V | Profit/(loss) before share of profit /(loss) of an associate's joint venture and exceptional items(IV-V) | | | 512.40 | | 549.25 |
| VI | Share of Profit /(loss) of an associate | | | - | | - |
| VII | Profit/(loss) before exceptional items and tax (V+VI) | | | 512.40 | | 549.25 |
| VIII | Exceptional items | | | - | | - |
| IX | Profit/(loss) before tax (VII+VIII) | | | 512.40 | | 549.25 |
| X | Tax expense: | | | | | |
| | (1) Current tax | | 106.35 | | 108.90 | |
| | Less : MAT Credit | | 50.82 | | | |
| | | | 55.53 | | | |
| | 2 Prior period income tax | | 0.36 | | | |
| | (3) Deferred tax | | 80.45 | 136.34 | 2.81 | 111.71 |
| XI | Profit/(loss)for the period from continuing operation (XI-XII) | | | 376.06 | | 437.54 |
| XII | Profit/(Loss) from discontinued operations | | | | | |
| XIII | Tax expense of discontinued operations | | | | | |
| XIV | Profit/(loss) from discontinued operation (after tax) (XII-XIII) | | | | | |
| XV | Profit/(loss) for the period (XI+XIV) | | - | 376.06 | - | 437.54 |
| | Attributable to | | | | | |
| | a) Owners of the company | | - | 341.52 | - | 420.33 |
| | (b) Non-controlling interest | | | 34.54 | | 17.21 |
| XVI | Other Comprehensive Income | | | | | |
| | A(i) item that will not be reclassified to profit or loss | | | | | |
| | Equity Instruments through Other Comprehensive income | | | | | |
| | (ii) Income tax relating to item that will not be reclassified to profit or loss | | | | | |
| | (iii) Exchange difference on translation of Financial statement of Foreign operation | | | | | |
| | B(i) item that will not be reclassified to profit or loss | | | | | |
| | (ii) Income tax relating to item that will not be reclassified to profit or loss | | | | | |
| XVII | Total Comprehensive Income for the period (XV+XVI) ( Comprising profit (loss) and other Comprehensive Income for the period ) | | - | 376.06 | - | 437.54 |
| | Attributable to | | | | | |
| | a) Owners of the parent | | - | 341.52 | - | 420.33 |
| | (b) Non-controlling interests | | | 34.54 | | 17.21 |
| | Of the total comprehensive income above, | | | | | |
| | **Profit for the year attributable to :** | | | | | |
| | Owners of the parent | | | 341.52 | | 420.33 |
| | Non-controlling interests | | | 34.54 | | 17.21 |
| | Of the total comprehensive income above, | | | | | |
| | **Other comprehensive income attributable to :** | | | | | |
| | Owners of the parent | | | - | | - |
| | Non-controlling interests | | | - | | - |
| XVIII | Earnings per equity share (for continued Operation) | | | | | |
| | (1) Basic | 33 | | 2.10 | | 2.81 |
| | (2) Diluted | 33 | | 2.10 | | 2.81 |
| XIX | Earnings per equity share (for discontinued Operation) | | | | | |
| | (1) Basic | | | | | |
| | (2) Diluted | | | | | |
| XX | Earnings per equity share (for discontinued & continuing operations) | | | | | |
| | (1) Basic | 33 | | 2.10 | | 2.81 |
| | (2) Diluted | 33 | | 2.10 | | 2.81 |

See accompanying notes to the financial statements 1 to 71

As per our Audit report of even date attached

for and on behalf of
H.R. JAIN & CO.
Chartered Accountants
FRN : 006562C

H.R. JAIN & CO. CHARTERED ACCOUNTANTS

Manish Jain
Proprietor
M.No. 400459
Udaipur, May 18,2023
UDIN : 23400459BGUTZA8157

for and on behalf of the Board

HARUN SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

ASIF RAZA ALI MOTI
Wholetime Director
DIN : 07876224

ASAD DAUD
Director
DIN: 02491539

LALIT KUMAR BOLIA
Chief Financial Officer

RUSEL SAXENA
Company Secretary
M.No 28022

SAH POLYMERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March,2023 (Rs. in lakhs )

| Sr. No. | Particulars | Year ended 31.03.2023 | Year ended 31.03.2022 |
|---|---|---|---|
| A | **Cash Flow from Operating Activities** | | |
| | Net Profit before tax | 512.40 | 549.25 |
| | Adjustments for: | | |
| | Depreciation | 140.33 | 100.65 |
| | Interest Paid | 203.21 | 121.35 |
| | Interest received | (31.75) | (2.86) |
| | Unrealised Foreign exchange fluctuation on conversion | (24.31) | 18.06 |
| | Balances written off | (3.20) | (0.90) |
| | (Profit)/Loss on sale of property, plant and equipment | - | (0.09) |
| | provisions for gratuity | 14.81 | - |
| | **Operating Profit before working capital changes** | **811.49** | **759.34** |
| | Adjustment for Changes in Working Capital: | | |
| | Decrease/(Increase) in Trade Receivables | (201.28) | (71.19) |
| | Increase/(decrease ) in other current liabilities | 156.66 | (64.10) |
| | Increase in financial liabilities | (0.36) | - |
| | Increase in Loan | (157.48) | (7.49) |
| | Other bank Balances | (1,030.77) | (8.60) |
| | Increase/(Decrease) in Trade Payables | 27.67 | (64.50) |
| | Increase in other non current assets | 142.14 | (131.90) |
| | Non Current Financial assets | (66.16) | (9.97) |
| | Current Financial assets | 5.31 | |
| | Increase in other current assets | (261.23) | (8.10) |
| | Increase in tax assets | 3.41 | (0.05) |
| | Decrease/(Increase) in Stock | (992.02) | (442.43) |
| | **Cash Generated from Operations** | (1,562.62) | (48.99) |
| | Income Taxes Refund / (Paid) | 135.77 | 30.23 |
| | **Net Cash Inflow /(Out Flow) from Operation (A)** | **(1,698.39)** | **(79.22)** |
| B | **Cash Flow from Investing Activities:** | | |
| | Sale of fixed assets | 3.69 | 2.45 |
| | Purchase of fixed assets | (3,011.46) | (110.18) |
| | Capital work-in-progress | 575.47 | (666.69) |
| | Acquisition of subsidiary | - | (307.81) |
| | Interest received | 31.75 | 2.86 |
| | **Net Cash Inflow/(Outflow) from investing Activities (B)** | **(2,400.55)** | **(1,079.37)** |
| C | **Cash flow from Financing Activities** | | |
| | Repayment of borrowings | (1,845.71) | (138.30) |
| | Increase in borrowing | 892.25 | 1,395.20 |
| | Share capital | 1,020.00 | - |
| | Securities premium | 5,610.00 | - |
| | Capital issue expenses | (912.69) | (24.43) |
| | Interest Paid | (203.21) | (121.35) |
| | **Net Cash Inflow /(Out Flow) from Financing Activities (C)** | **4,560.64** | **1,111.12** |
| | **Net Increase/Decrease in cash & Cash equivalents (A+B+C)** | **461.70** | **(47.47)** |
| | **CASH AND CASH EQUIVALENTS** | | |
| | **As at the beginning of the year (Refer Note 9)** | **189.78** | **253.69** |
| | **Less : Cash Credit** | **713.73** | **737.75** |
| | **As at the end of the year (Refer Note 9)** | **1,061.34** | **189.78** |
| | **Less : Cash Credit** | **1,123.59** | **721.31** |
| | **Net Increase/Decrease in cash & Cash equivalents** | **461.70** | **(47.47)** |
| | | 0.00 | 0.00 |

| | | Year ended 31.03.2023 | Year ended 31.03.2022 |
|---|---|---|---|
| | I. Cash and cash equivalents as per above comprise of the following: | | |
| | Cash on hand (INR) | 3.89 | 3.44 |
| | Cash on hand in foreign currency | 1.68 | 0 |
| | Balances with scheduled banks: | | |
| | -On current accounts | 45.53 | 186.34 |
| | -On deposit accounts | 1,010.24 | 0 |
| | (deposits having an original maturity of 3 months or less ) | | |
| | Cash and cash equivalent as per note | 1,061.34 | 189.78 |

II. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian
The notes 1 to 71 form an integral part of the financial statements.
This is the Statement of Cash Flows referred to in our report of even date.

for and on behalf of
H.R. JAIN & CO.,
Chartered Accountants
FRN : 000262C

Manoj Jain
Proprietor
M.No. 400459
Udaipur, May 18,2023
UDIN: 23400459BGUJZX8157

for and on behalf of the Board

ASAD DAUD
Director
DIN:02491539

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

LALIT KUMAR BOLIA
Chief Financial Officer

MURTAZA ALI MOTI
Wholetime Director

RUNEL SAXENA
Company Secretary
M.No. 28022

"STATEMENT OF CHANGES IN EQUITY
Name of the Company :- SAH POLYMERS LIMITED
A. Equity Share Capital

(1) Current reporting period (Rs. In lakh)

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current y | Balance at the end of the current reporting period |
|---|---|---|---|---|
| | | | | |
| 1,559.60 | - | - | 1,020.00 | 2579.60 |
| | | | | |

(2) Previous reporting period

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current y | Balance at the end of the current reporting period |
|---|---|---|---|---|
| | | | | |
| 1,559.60 | - | - | - | 1559.60 |
| | | | | |

B. Other Equity

| | Reserves & Surplus | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Statutory Reserve | Equity component of compound financial instrument | Capital Subsidy | Capital Reserve | Securities premium | General Reserve | Surplus on Business Combinati on | Retained earnings | Debt Instrumens through other comprehensi ve income | Capital issue Expenses | Equity Instrumen ts through other Comprehe nsive | Effective portion of Cash Flow hedges | Revaluation Surplus | Exchange difference on translating financial difference | Other Items of other comprehen sive income | Money received against share warrants | Attributab le to owners of the parent | non-controlling interest |
| Balance at the end of the reporting period -31.03.2021 | - | - | - | 79.75 | 280.00 | - | - | 69.40 | - | - | - | - | - | - | - | - | 449.15 | 242.95 |
| Profit for the year | | | | | | | | 420.33 | | (24.43) | | | | | | | 395.90 | 17.21 |
| Capital issue expenses | | | | | | | | | | | | | | | | | - | |
| Other comprehensive income | | | | | | | | | | | | | | - | - | | - | |
| Subsidiary Merger | | | | | | | | - | | | | | | | | | - | |
| Issue of Equity Share | | | | | | | | | | | | | | | | | - | |
| Changes in accounting policy/ prior period errors | | | | | | | | | | | | | | | | | - | |
| Restated balance at the beginning of the reporting period | | | | | | | | | | | | | | | | | - | |
| Total Comprehensive income for the year | | | | | | | | | | | | | | | | | - | |
| Dividends | | | | | | | | | | | | | | | | | - | |
| Dividend Distribution Tax | | | | | | | | | | | | | | | | | - | |

| | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Acc depreciation adjusted for useful life of assets | | | | | | | | | | | | | | | | | - | |
| Sales of Subsidiary | | | | | | | | | | | | | | | | | - | |
| Balance at the end of the reporting period -31.03.2022 | - | - | - | 79.75 | 280.00 | - | - | 509.73 | - | (24.41) | - | - | - | - | - | - | 845.05 | 280.16 |
| Profit for the year | - | - | - | - | - | - | | 341.52 | - | | - | - | - | - | - | - | 341.52 | 14.54 |
| Other comprehensive income | - | - | - | - | - | - | | - | - | | - | - | - | - | - | - | - | - |
| Acquisition of Subsidiary | | | | - | - | - | | | | | | | | | | | - | - |
| Capital issue expenses | | | | | | | | - | | (912.68) | | | | | | | (912.68) | |
| Less : Capital issue expenses | | | | | (937.12) | | | | | 937.12 | | | | | | | | |
| On Consolation of Subsidiary | - | - | - | - | - | - | | - | - | | - | - | - | - | - | - | - | - |
| Transfer to/from | - | | | | | | | - | | | | | | | | | - | |
| Amount received against share warrants | - | - | - | - | - | - | | - | - | | - | - | - | - | - | - | - | - |
| On issue of Equity Share Capital | - | - | - | - | 5,610.00 | - | | - | - | | - | - | - | - | - | - | 5,610.00 | - |
| Changes in accounting policy/ prior period errors | - | - | - | - | - | - | | - | - | | - | - | - | - | - | - | - | - |
| Restated balance at the beginning of the reporting period | - | - | - | - | - | - | | - | - | | - | - | - | - | - | - | - | - |
| Total Comprehensive income for the year | - | - | - | - | - | - | | - | - | | - | - | - | - | - | - | - | - |
| Dividends | - | - | - | - | - | - | - | - | - | | - | - | - | - | - | - | - | - |
| Dividend Distribution Tax | - | - | - | - | - | - | | - | - | | - | - | - | - | - | - | - | - |
| Acc depreciation adjusted for useful life of assets | | | | | | | | - | | | | | | | | | - | |
| Sales of Subsidiary | - | - | - | - | - | - | | - | - | | - | - | - | - | - | - | - | - |
| Balance at the end of the reporting period -31.03.2023 | - | - | - | 79.75 | 4,952.88 | - | - | 851.25 | - | - | - | - | - | - | - | - | 5,883.88 | 294.70 |

As per our Report Attached

for and on behalf of
H.R. JAIN & CO.
Chartered Accountants
FRN 000262C

H.R. JAIN & CO. CHARTERED ACCOUNTANTS

Manoj Jain
Proprietor
M.No. 400459
Udaipur, May 18,2023
UDIN 23400459BGUJ2X8157

Signatures to the Financial Statements and Notes

HAKIM SADIQ ALI TIDIWAL
Wholetime Director
DIN : 00119156

MURTAZA ALI MOTI
Wholetime Director
DIN : 07876224

ASAD BASID
Director
DIN: 02491539

LALIT KUMAR BOLIA
Chief Financial Officer

RUNEL SAXENA
Company Secretary
M.No. 28022

NOTE NO. - 3 PROPERTY ,PLANT AND EQUIPMENT

Rs. in lakhs

| Particulars | Lease Asset | Owned Assets | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Land -Leasehold | Building | land Freehold | Plant and Equipment | Furniture and fixtures | Vehicles | Office Equipment | DG Set | Tube well | Computer | Total |
| | | | | | | | | | | | |
| **Year ended March,2023** | | | | | | | | | | | |
| **GROSS CARRYING AMOUNT** | | | | | | | | | | | |
| Opening Gross Carrying Amount | 29.57 | 438.04 | 115.96 | 1,752.98 | 33.18 | 26.35 | 29.70 | 57.28 | 1.16 | 22.51 | 2,506.73 |
| Additions | - | 1,322.54 | - | 1,565.37 | 33.69 | 47.58 | 24.34 | 0.96 | 5.33 | 11.65 | 3,011.46 |
| On acquisition of subsidiary | - | - | - | - | - | - | - | - | - | - | - |
| Disposals/Adjustment | - | - | - | 9.80 | - | - | 7.50 | - | - | - | 17.30 |
| **Closing Gross Carrying Amount** | 29.57 | 1,760.58 | 115.96 | 3,308.55 | 66.87 | 73.93 | 46.54 | 58.24 | 6.49 | 34.16 | 5,500.89 |
| **ACCUMULATED DEPRECIATION** | | | | | | | | | | | |
| Opening Accumulated Depreciation | - | 163.21 | - | 686.53 | 14.52 | 22.31 | 17.71 | 29.45 | 0.49 | 14.81 | 949.03 |
| Depreciation charged during the year | - | 22.94 | - | 91.88 | 5.35 | 4.14 | 5.69 | 2.52 | 0.07 | 6.50 | 139.09 |
| Disposals/Adjustments | - | - | - | 7.44 | - | - | 6.17 | - | - | - | 13.61 |
| **Closing Accumulated Depreciation** | - | 186.15 | - | 770.97 | 19.87 | 26.45 | 17.23 | 31.97 | 0.56 | 21.31 | 1,074.51 |
| **Net Carrying Amount** | **29.57** | **1,574.43** | **115.96** | **2,537.58** | **47.00** | **47.48** | **29.31** | **26.27** | **5.93** | **12.85** | **4,426.38** |
| **Year ended March,2022** | | | | | | | | | | | |
| **GROSS CARRYING AMOUNT** | | | | | | | | | | | |
| Opening Gross Carrying Amount | 29.57 | 412.07 | 115.45 | 1,583.68 | 14.94 | 22.06 | 22.26 | 57.28 | 1.16 | 13.24 | 2,271.71 |
| Additions | - | 19.70 | 0.51 | 80.34 | 0.92 | 0.87 | 0.59 | - | - | 4.93 | 107.86 |
| On acquisition of subsidiary | - | 6.27 | | 88.96 | 17.32 | 3.42 | 7.45 | | | 4.34 | 127.76 |
| Disposals/Adjustment | - | - | - | - | - | - | 0.60 | - | - | - | 0.60 |
| **Closing Gross Carrying Amount** | 29.57 | 438.04 | 115.96 | 1,752.98 | 33.18 | 26.35 | 29.70 | 57.28 | 1.16 | 22.51 | 2,506.73 |
| **ACCUMULATED DEPRECIATION** | | | | | | | | | | | |
| Opening Accumulated Depreciation | - | 148.90 | - | 616.62 | 11.36 | 21.52 | 13.17 | 26.94 | 0.45 | 11.79 | 850.75 |
| Depreciation charged during the year | - | 14.31 | - | 69.91 | 3.16 | 0.79 | 5.14 | 2.51 | 0.04 | 3.02 | 98.88 |
| Disposals/Adjustments | - | - | - | - | - | - | 0.60 | - | - | - | 0.60 |
| **Closing Accumulated Depreciation** | - | 163.21 | - | 686.53 | 14.52 | 22.31 | 17.71 | 29.45 | 0.49 | 14.81 | 949.03 |
| **Net Carrying Amount** | **29.57** | **274.83** | **115.96** | **1,066.45** | **18.66** | **4.04** | **11.99** | **27.83** | **0.67** | **7.70** | **1,557.70** |

| | |
|---|---|
| **Capital Work In Progress Fy. 2022-23*** | 92.95 |
| **Capital Work In Progress Fy. 2021-22*** | 668.44 |

*Includes amount incurred on project development capitalised.

| NOTE NO. - 3 INTANGIBLE ASSETS | | Rs. in lakhs |
|---|---|---|
| Particulars | Owned Assets | |
| | Software | Total |
| | | |
| **Year ended March,.2023** | | |
| **GROSS CARRYING AMOUNT** | | |
| Opening Gross Carrying Amount | 9.58 | 9.58 |
| Additions | - | - |
| Disposals/Adjustment | - | - |
| **Closing Gross Carrying Amount** | 9.58 | 9.58 |
| **ACCUMULATED DEPRECIATION** | | - |
| Opening Accumulated Depreciation | 7.82 | 7.82 |
| Depreciation charged during the year | 1.24 | 1.24 |
| Disposals/Adjustments | - | - |
| **Closing Accumulated Depreciation** | 9.06 | 9.06 |
| **Net Carrying Amount** | **0.52** | **0.52** |
| | | |
| **Year ended March,.2022** | | |
| **GROSS CARRYING AMOUNT** | | |
| Opening Gross Carrying Amount | 9.58 | 9.58 |
| Additions | - | - |
| Disposals/Adjustment | - | - |
| **Closing Gross Carrying Amount** | 9.58 | 9.58 |
| **ACCUMULATED DEPRECIATION** | | - |
| Opening Accumulated Depreciation | 6.05 | 6.05 |
| Depreciation charged during the year | 1.77 | 1.77 |
| Disposals/Adjustments | - | - |
| **Closing Accumulated Depreciation** | 7.82 | 7.82 |
| **Net Carrying Amount** | 1.76 | 1.76 |

Note :

(a) There are no immovable Properties whose title deeds are not in the name of the Company .

(b) The Company has not revalued Property, Plant and Equipment .

(c) The Company has not revalued its intangible assets.

(d) Capital -Work-in Progress (CWIP)

| CWIP aging schedule as at 31/03/2023 | | | | | Rs. In lakhs |
|---|---|---|---|---|---|
| Particulars | Amount in CWIP for a period of | | | | |
| | Less than 1 year s | 1-2 years | 2-3 years | More than 3 | Total |
| Project in progress | 92.97 | - | - | - | 92.97 |
| Projects temporarily suspended | | - | - | - | - |

| CWIP aging schedule as at 31/03/2022 | | | | | Rs. In lakhs |
|---|---|---|---|---|---|
| Particulars | Amount in CWIP for a period of | | | | |
| | Less than 1 year s | 1-2 years | 2-3 years | More than 3 years | Total |
| Project in progress | 666.69 | 1.75 | - | - | 668.44 |
| Projects temporarily suspended | - | - | - | - | - |

(e ) There is no intangible assets under development.

Notes to the Consolidated Financial Statements

**Note 1: Company Information:**

Sah Polymers Limited (SPL)- parent - is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act,1956. The Registered Office of the SPL is situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003.

SPL is engaged in the manufacture of HDPE/PP woven fabrics and sacks . The manufacturing capacities are situated at Udaipur (Rajasthan). The fabrics and sacks find applications in the packing of cement, minerals, food grains etc.

**2. Significant Accounting Policies**

**Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

**Basis of Preparation**

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

**Basis of Consolidation**

The Consolidated Financial Statements (CFS) include the financial statements of the Company and its subsidiaries.

Subsidiary is entity controlled by the Group.

Control and significant influence is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights (usually contractual) enjoyed by the Group in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Group's returns from its investment. Such assessment requires the exercise of judgement and is disclosed by way of a note to the Financial Statements. The Group is considered not to be in control of entities where it is unclear as to whether it enjoys such power over the investee.

The assets, liabilities, income and expenses of subsidiary are aggregated and consolidated, line by line, from the date control is acquired by any Group entity to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners. The excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the CFS. On disposal of the subsidiary, attributable amount on goodwill is included in the determination of the profit or loss and recognised in the Statement of Profit and Loss.

Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or a group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

**Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**Property, Plant and Equipment – Tangible Assets**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP. Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

Assets in the course of construction are capitalised in the assets under capital work in progress account (CWIP). At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized. Revenue generated from production during the trial period is capitalised.

* Freehold land is not depreciated

The estimated useful lives of property, plant and equipment of the Group are as follows:

| | |
|---|---|
| Buildings | 30 Years |
| Plant and Equipment | 7 – 25 Years |
| Furniture and Fixtures | 8 – 10 Years |
| Vehicles | 8 – 10 Years |
| Office Equipment | 5 Years |

No write off is made in respect of leasehold land.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

**Goodwill on Consolidation**

Goodwill arising on consolidation is stated at cost less impairment losses, where applicable. On disposal of a subsidiary, attributable amount of goodwill is included in the determination of the profit or loss recognised in the Statement of Profit and Loss. On acquisition of an associate, the goodwill / capital reserve arising from such acquisition is included in the carrying amount of the investment and also disclosed separately.

Impairment loss, if any, to the extent the carrying amount exceed the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes.

**Intangible Assets**

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant

b. for separately acquired assets, at cost comprising the purchase price (including import duties and nonrefundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets.

The carrying value of intangible assets includes deemed cost which represents the carrying value of intangible assets recognised as at 1st April, 2016 measured as per the previous GAAP.

Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss.

Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses. The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

The estimated useful lives of intangible assets of the Company is : 5 years

**Impairment of Assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

**Inventories**

Inventories are stated at lower of cost and net realisable value. The cost is calculated on FIFIO method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

**Foreign Currency Transactions**

The presentation currency of the Group is Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

Exchange differences arising on monetary items that, in substance, form part of the Group's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in foreign currency translation reserve.

For the preparation of the consolidated financial statements:
(a) assets and liabilities of foreign operations, together with goodwill and fair value adjustments assumed on acquisition thereof, are translated to Indian Rupees at exchange rates prevailing at the reporting period end;

(b) income and expense items are translated at the average exchange rates prevailing during the period; when exchange rates fluctuate significantly the rates prevailing on the transaction date are used instead.

Differences arising on such translation are accumulated in foreign currency translation reserve and attributed to non-controlling interests proportionately

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group is reclassified to the Statement of Profit and Loss. In relation to a partial disposal, that does not result in losing control over the subsidiary, the proportionate exchange differences accumulated in equity is reclassified to the Statement of Profit and Loss.

**Financial instruments, Financial assets, Financial liabilities and Equity instruments**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

**Financial Assets**

**Recognition:**

Financial assets include investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:**

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

**Impairment:**

The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**Reclassification**: When and only when the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

**De-recognition:** Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**Income Recognition:**

Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

**Financial Liabilities**

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

**Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**Equity Instruments**

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

**Revenue**

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods includes excise and other duties which the Group pays as a principal but excludes amounts collected on behalf of third parties, such as sales tax and value added tax.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

**Government Grant**

The Group may receive government grants that require compliance with certain conditions related to the Group's operating activities or are provided to the Group by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Group will comply with the conditions attached to the grant. Accordingly, government grants:

(a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.

(b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.

(c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

**Employee Benefits**

i) Short-term Employee benefits Liabilities for wages and salaries including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

iii) Post-Employment Benefits Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Statement of Profit and Loss as they fall due.

Defined Benefit Plans

Gratuity Fund

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/ termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 or as per the Company's scheme whichever is more beneficial to the employees.

**Provident Fund**

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

iv) Other Long Term Employee Benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method

Re-measurements are recognised in profit or loss in the period in which they arise. Actuarial gains and losses in respect of such benefits are charged to Statement of Profit and Loss in the period in which they arise.

**Leases**

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks

**Group as a Lessee**

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**Group as a Lessor**

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Group is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

**Taxes on Income**

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

**Claims**

Claims against the Group not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

**Provisions**

Provisions are recognised when, as a result of a past event, the Group has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

**Operating Segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements. Inter-segment revenue is reported on the basis of transactions which are primarily market led. Segment results represent profits before finance charges, unallocated corporate expenses and taxes.

"Unallocated Corporate Expenses" include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole and are not attributable to segments.

**Financial and Management Information Systems**

The Group's Accounting System is designed to comply with the relevant provisions of the Companies Act, 2013, to provide financial information appropriate to the businesses and facilitate Internal Control.

**Use of estimates and judgements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**A. Judgements in applying accounting policies**

The following are the judgements, apart from those involving estimations (see note below), that the Group have made in the process of applying the accounting policies and that have a significant effect on the amounts recognised in the consolidated financial statements:

**1. Control:**

The Group assessed whether or not it has control on its investees based on whether, as an investor, it has the power/rights and consequently the practical ability to direct the relevant activities of its investees unilaterally. In making this judgement, the Group considered the absolute size of its holding, the relative size of and dispersion of other shareholders, and whether any contractual arrangements exist between the Company (and its subsidiaries) and other shareholders of the investees. Based on this, and in accordance with its Accounting Policy, the Group has determined that the entities listed in the notes to the financial statements are the only entities over which Group has control.

**2. Significant influence:**

The Group assessed whether or not it has significant influence on its investees based on its practical ability to participate in the financial and operating policy decisions of the investee, though it is not in control of these policies. Based on such assessment, the Group determined that the entities listed in the notes to the financial statements are the only entities over which the Group has significant influence.

**3. Useful life of Intangible Assets:**

The Group is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement.

**B. Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**1. Useful lives of property, plant and equipment and intangible assets:**

As described in the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

**2. Fair value measurements and valuation processes:**

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

**3. Actuarial Valuation:**

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

**4. Claims, Provisions and Contingent Liabilities:**

In respect of litigations where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

SAH POLYMERS LIMITED
NOTES FORMING PART OF THE CONSOLIDATED STATEMENT

Note 4 (Rs. In Lakhs)

| FINANCIAL LOAN NON -CURRENT | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| (Unsecured, Considered good) | | | | |
| (a) Loan Receivables considered good- secured | | - | | - |
| (b) Loan Receivables considered good- unsecured | | 1.97 | | - |
| (c) Loan Receivables which have significant increase in credit risk | | - | | - |
| (d) Trade Receivables- credit impaired | | - | | - |
| | | 1.97 | | - |
| Less: Allowance for doubtful loans | | - | | - |
| | | 1.97 | | - |

Note 5

| OTHER NON- CURRENT FINANCIAL ASSETS | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| Security Deposits | | 133.04 | | 60.88 |
| | | 133.04 | | 60.88 |

Note 6

| OTHER NON-CURRENT ASSETS | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| Capital Advances | | 0.65 | | 146.98 |
| Advances other than capital advances : | | | | |
| Security Deposit | | | | |
| -With Statutory Authorities | | 0.92 | | 0.92 |
| -Other | | 4.11 | | - |
| | | 5.68 | | 147.82 |

Note 7

| INVENTORIES | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| At lower of cost and net realizable value | | | | |
| Raw material | | 759.42 | | 870.52 |
| Work-in -progress | | 1,039.40 | | 587.51 |
| Finished Goods | | 557.05 | | 291.17 |
| Stores and Spares | | 102.99 | | 95.49 |
| Printing Ink | | 11.90 | | 14.45 |
| | | 2,551.76 | | 1,559.14 |

Note 8

| TRADE RECEIVABLE | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| (a) Trade Receivables considered good- secured | | | | |
| (b) Trade Receivables considered good- unsecured | | 1,614.37 | | 1,385.58 |
| (c)Trade Receivables which have significant Increase in Credit | | - | | - |
| (d) Trade Receivables -Credit Impaired | | - | | - |
| | | 1,614.37 | | 1,385.58 |
| Less: Allowance for doubtful receivables | | - | | - |
| | | 1,614.37 | | 1,385.58 |

Note 8.1 No trade receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies in which any director is a partner, a director or a member, other than dues from related parties disclosed as mentioned in note 37.

Trade receivables ageing schedule as at 31st March 2023

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 1,411.59 | 66.02 | - | - | 136.76 | 1,614.37 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables- which have significant increase in credit risk | - | - | - | - | - | - |
| Total | 1,411.59 | 66.02 | - | - | 136.76 | 1,614.37 |

Trade receivables ageing schedule as at 31st March 2022

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 1,245.76 | 0.51 | 0.17 | 30.51 | 108.63 | 1,385.58 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables- which have significant increase in credit risk | - | - | - | - | - | - |
| Total | 1,245.76 | 0.51 | 0.17 | 30.51 | 108.63 | 1,385.58 |

Note 9

| CASH AND CASH EQUIVALENTS | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| (a) Balances with banks | | | | |
| (i)On Current Account | | 45.51 | | 186.34 |
| (i) Cheques on hand | | - | | - |
| (ii) on Fixed Deposit with maturity less three months * | | 1,010.24 | | - |
| | | 1,055.75 | | 186.34 |
| (b) Cash on hand (INR) | | 2.80 | | 3.44 |
| (c) Cash on hand (in foreign Currency) | | 1.18 | | - |
| | | 1,061.34 | | 189.78 |

*Includes accrued interest Rs. 0.24 lakhs (previous year Rs. Nil)

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period

Note 10

| OTHER BANK BALANCES | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| Deposit with more than 3 months and remaining maturity period less than 12 months from the date of the balance sheet *(**) | | 1,089.99 | | 59.22 |
| | | 1,089.99 | | 59.22 |

*Includes accrued interest Rs. 12.72 lakhs (previous year Rs. 2.72 lakhs)

**Includes deposits Rs. 74.22 lakhs (p. y. Rs. 59 lakhs) marked lien/ pledged as security/ with the bank against bank guarantees

Note 11

| LOANS (CURRENT) | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| (a) Loan Receivables considered good- secured | | - | | - |
| (b) Loan Receivables considered good- unsecured | | 848.73 | | 685.22 |
| (c) Loan Receivables which have significant increase in credit risk | | - | | - |
| (d) Trade Receivables- credit impaired | | - | | - |
| | | 848.73 | | 685.22 |
| Less: Allowance for doubtful loans | | - | | - |
| | | 848.73 | | 685.22 |

Note 11.1: No loans are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member, other than those from related parties disclosed as mentioned in note 37.

No loans and advances are due from directors or other officers and related party of the Company

Loans or advances in the nature of loans granted to promoters, directors, KMPS and the related parties (either repayable on demand or (b) without specifying terms of period of repayment

| Type of Borrower | Amount of loan or advance in the nature of outstanding | Percentage to the total Loans & Advances in the nature of Loans |
|---|---|---|
| Promoters | 0<br>(0) | 0<br>(0) |
| Directors | 0<br>(0) | 0<br>(0) |
| KMPs | 2.50<br>(0) | 0.27<br>(0) |
| Related Parties | 0<br>(0) | 0<br>(0) |
| Total | 2.50<br>(0) | 0.27<br>(0) |

*amount in bracket represents previous year's figures

Note 12

| OTHER CURRENT FINANCIAL ASSETS | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| -Interest accrued on loan, deposit etc. | | 6.96 | | 12.27 |
| | | 6.96 | | 12.27 |

Note 13

| CURRENT TAX ASSETS | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| Income tax Refund | | | | 3.41 |
| | | - | | 3.41 |

Note 14

| OTHER CURRENT ASSETS | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| Advances other than capital advances : | | | | |
| Other advances : | | | | |
| -advance against expenses | | 21.50 | | 12.63 |
| - GST receivable | | 387.72 | | 116.34 |
| -pre-paid expenses | | - | | 11.88 |
| -Other receivables | | 45.46 | | 40.60 |
| -MEIS Receivable | | 31.05 | | 31.05 |
| | | 485.73 | | 221.50 |

Note 15

| SHARE CAPITAL : | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| Authorised : | | | | |
| 3,00,00,000 Equity Shares of Rs.10/- each | | 3,000.00 | | 3,000.00 |
| | | 3,000.00 | | 3,000.00 |
| Issued, subscribed and fully paid | | | | |
| 2579600(Pr yr 15596000) Equity Shares of Rs.10/- each fully paid up | | 2,579.60 | | 1,559.60 |
| | | 2,579.60 | | 1,559.60 |

| Reconciliation of number of shares : | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| Face value per share (Rs.) | | 10 | | 10 |
| Number of Equity Shares outstanding at the beginning of the reporting period | | 1,55,96,000 | | 1,55,96,000 |
| No. of Equity Shares issued during the year | | 1,02,00,000 | | - |
| | | 2,57,96,000 | | 1,55,96,000 |
| Less : Deduction during the year | | - | | - |
| Number of Equity Shares outstanding at the end of the reporting period | | 2,57,96,000 | | 1,55,96,000 |

| Name of the shareholders holding more than 5% shares in the company | | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|---|
| Name of shareholder | Class | No. of shares | % | No. of shares | % |
| Sai Industries Limited and nominees | Equity | 1431600 | 55.50 | 1431600 | 91.79 |
| Sai Invest Private Limited | Equity | 1280000 | 4.96 | 1280000 | 8.21 |

| Shares held by promoters at the end of the year | | | |
|---|---|---|---|
| Promoter name | No of shares | % of total shares | % change during the year |
| Sai Industries Limited including shares held by nominees | 14316000<br>(14316000) | 55.50 (91.79) | 30.29** |
| Total | 14316000<br>(14316000) | 55.50 (91.79) | 30.29** |

Figures in bracket represent previous year figures

* As intimated as per the information filed by the Company with stock exchanges for the year ended March 31, 2023 and Annual return filed by the Company for the year ended March 31,2022

**change in percentage due to initial public offer by the company

| Shares held by holding Company | | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|---|
| Name of holding Company | Class | No of shares | % Holding | No of shares | % Holding |
| Sai Industries Limited and nominees | Equity | 14316000 | 55.50 | 14316000 | 91.79 |

The Parent has only one class of equity shares having face value of Re 10/- each. The holder of the equity share is entitled to dividend right and voting right in the same proportion as the capital paid-up on each equity share bears to the total paid-up equity share capital of the Parent. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Parent , the holders of equity shares will be entitled to receive the remaining assets of the Parent in the same proportion as the capital paid up on the equity shares held by them bears to the total paid-up equity share capital of the Parent.

The Parent Company has not allotted any shares pursuant to contract without payment being received in cash.

There are no call unpaid on equity shares.

No shares have been reserved for issue on option.

No equity shares have been forfeited.

**Note 16**

**OTHER EQUITY**

| Particulars | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| 1.SEURITIES PREMIUM | | | |
| As per the last year accounts | 280.00 | | 280.00 |
| Add: Addition during the year | 5,610.00 | | - |
| Less - Transferred from Capital Issue Expenses* | (937.12) | | - |
| | 4,952.88 | | 280.00 |
| 2.GENERAL RESERVE | | | |
| As per the last year accounts | 79.75 | | 79.75 |
| 3.CAPITAL ISSUE EXPENSES | | | |
| As per the last year accounts | (24.45) | | - |
| Addition during the year | (912.67) | | (24.45) |
| Less: Transferred to securities premium | 937.12 | | - |
| | - | | (24.45) |
| 4. RETAINED EARNINGS | | | |
| As per the last year accounts | 569.75 | | 89.40 |
| Add: Surplus for the year | 141.50 | | 420.33 |
| | 851.25 | | 509.73 |
| Equity attributable to the owners of the parent | 5,883.88 | | 845.95 |
| Non-controlling interest | 294.70 | | 260.16 |
| TOTAL | **6,178.58** | | **1,105.21** |

* Pursuant to an application moved by the Company before the Hon'ble National Company Law Tribunal, Ahmedabad Bench, vide its order dated 31st March, 2023, the balance of Rs. 937.12 lakhs have been adjusted against Securities Premium in accordance with the provisions of section 52 of the Companies Act, 2013.

1. Share Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Act.

2. General Reserve

This includes the amount received from the Government under various schemes for capital expansion and on the expiry of respective period , the amount was transferred to it.

3.Retained Earnings

This Reserve represents the cumulative profits of the Company and effects of re-measurements of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

**Note 17**

| BORROWINGS -NON CURRENT : | As at 31.03.2023 | | As at 31.03.2022 | |
|---|---|---|---|---|
| | Current | Non-Current | Current | Non-Current |
| **SECURED :** | | | | |
| (a) Term Loans | | | | |
| from banks : | | | | |
| UCO Bank | | | | |
| I Term Loan- UCO Covid-19 Emergency credit line (UCECL) | - | - | 3.90 | - |
| II Term Loan- Additional working capital term loan under guarantee emergency credit loan | 10.83 | 2.84 | 37.40 | 46.52 |
| III Term Loan- Guaranteed Emergency Credit Line(GECL) | 5.57 | 78.32 | - | 84.07 |
| IV Industrial Bank -FCTL(EPC) | - | - | 18.44 | - |
| V Industrial Bank -ELCGS | - | - | 11.24 | 14.04 |
| VI Term Loan | 200.00 | 733.33 | - | - |
| VII Term Loan-Vahicle Loan | 4.88 | 12.38 | - | - |
| VIII Term Loan- HDFC Bank | 4.11 | 18.81 | - | - |
| | 254.63 | 845.58 | 62.73 | 145.23 |

(I) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Parent Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and by way of first charge on all current assets such as raw material , finished goods, work -in progress, stores and spares , book debts, and packing materials etc. The loan is repayable in 18 equal monthly instalments of Rs. 411750.00 each commencing from December 8th,2020 and the last instalment is repayable on May 07, 2022.Rate of interest as on 31.03.2023 is 7.30 % per annum. It is also secured by way of personal guarantee of Mr. Asad Daud, Director of the Parent Company.

(II) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Parent Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and by way of first charge on all current assets such as raw material , finished goods, work -in progress, stores and spares , book debts, and packing materials etc. The loan is repayable in 36 equal monthly instalments Rs. 354611.00 each commencing from June 14th, 2021 and the last instalment is repayable on June 14,2024 Rate of interest as on 31.03.2023 is 9.25 % per annum.It is also secured by way of personal guarantee of Mr. Asad Daud,Director of the Parent Company.

(III) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Parent Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and by way of first charge on all current assets such as raw material , finished goods, work -in progress, stores and spares , book debts, and packing materials etc. The loan is repayable in 36 equal monthly instalments Rs. 2013/6.35 each commencing from December 15th, 2022 and the last instalment is repayable on December 15,2026 Rate of interest as on 31.03.2023 is 9.25 % per annum.It is also secured by way of personal guarantee of Mr. Asad Daud, Director of the Parent Company.

(IV) Borrowings from Industrial Bank is secured against first charge over all present and future, current assets and movable fixed assets of the Subsidiary Company situated at G-1 202-203,IID center RIICO, kaladwas , Udaipur-313003. The loan is repayable in 36 equal monthly instalments of Euro 1380.04 each commencing from December 27th,2019 and the last instalment is repayable on December 22, 2022.Rate of interest as on 31.03.2022 is 8.25 % per annum. It is also secured by personal guarantee of directors Mr.Murtaza Ali Moti and Mrs. Fatima Moti. Euro 32420.45 payable @ exchange rate of Rs. 88.862 as on March 31,2022 (Pr yr. Euro 26080.02 @ exchange rate of Rs. 86.069)

(V) Borrowings from Industrial Bank is secured against second charge over all present and future, current assets and movable fixed assets of the subsidiary Company situated at G-1 202-203,IID center RIICO, kaladwas , Udaipur-313003. The loan is repayable in 35 monthly instalments as per EMI schedule commencing from July 31st,2021 and the last instalment is repayable on June 30, 2024.Rate of interest as on 31.03.2022 is 9.25 % per annum. It is also secured by personal guarantee of directors Mr.Murtaza Ali Moti and Mrs. Fatima Moti.

(VI) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and by way of first charge on all current assets such as raw material , finished goods, work -in progress, stores and spares , book debts, and packing materials etc. The loan is repayable in 36 equal monthly instalments Rs 1666667.00 each commencing from December 15th, 2023 and the last instalment is repayable on June 15,2028 Rate of interest as on 31.03.2023 is 10.45 % per annum.It is also secured by way of personal guarantee of Mr. Asad Daud,Director of the Company.

(VII) Borrowings from UCO Bank is secured against Hypothecation of Vehicle No. RJ27UE0279. The loan is repayable in 60 equal monthly instalments Rs 60649.00 each commencing from June 06th, 2022 and the last instalment is repayable on May 31, 2027 Rate of interest as on 31.03.2023 is 10.20 % per annum.

(VII) Borrowings from HDFC bank is secured against Hypothecation of Vehicle No RJ27GE0152. The loan is repayable in 60 equal monthly instalments Rs

There is no continuing default in the payment of interest

**Note 18**

| DEFERRED TAX LIABILITIES (NET) | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| a) Deferred tax liability | 143.13 | | 142.67 |
| Add: Opening Balance of Subsidiary | | | (2.35) |
| Depreciation Provision | 78.39 | | 2.81 |
| Deferred tax assets | - | | - |
| Leave encashment &gratuity (provisions) etc. | 0.11 | | - |
| Net amount charged to Statement of Profit and Loss | 78.18 | | 2.81 |
| Deferred tax liabilities(net) | 221.31 | | 143.13 |
| MAT Credit Entitlement | 53.13 | | - |
| | 168.18 | | 143.13 |

Note 19

| BORROWINGS -CURRENT : | As at 31.03.2023 | | As at 31.03.2022 |
|---|---|---|---|
| SECURED : | | | |
| Current maturity of Long term debt@ | 254.63 | | 62.73 |
| Repayable on demand | | | |
| From banks : | | | |
| Cash Credit facilities from UCO Bank (a) | 1,123.59 | | 681.98 |
| Cash Credit a/c with industrial Bank (b) | - | | 31.25 |
| | 1,123.59 | | 713.75 |
| UNSECURED : | | | |
| Repayable on demand | | | |
| From Bank | | | |
| Deutsche Bank (pcfc) (c) | - | | 158.52 |
| ICICI Bank Ltd (d) | 580.00 | | 270.13 |
| Deutsche Bank -OD (e) | 0.99 | | 94.70 |
| Industrial Bank -FCTL(EPC) (f) | - | | 165.42 |
| Others | | | |
| Other than related parties (g ) | - | | 713.15 |
| From related party--Holding company | - | | 780.00 |
| Sai Industries Limited | | | |
| | 280.99 | | 2,122.12 |
| | 1,659.21 | | 2,898.58 |

(a) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Parent Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and by way of first charge on all current assets such as raw material , finished goods, work -in progress, stores and spares , book debts, and packing materials etc. of the Parent Company . It is also secured by way of personal guarantee of Mr. Asad Daud, Director of the Parent Company . Rate of interest as on 31.03.2023 is 11.20 % per annum.

(aa) Includes also cash credit facilities availed by the subsidiary -Fibcorp Polymers Private Limited amounting to Rs. 241.48 lakhs. The same is secured by way of first charge on all current assets such as raw material , finished goods, work -in progress, stores and spares , book debts, and packing materials etc. of the subsidiary Company situated at G-1 202-203,IID center RIICO, kaladwas , Udaipur . It is also secured by way of personal guarantee of Mr. Murtaza Moti , Director of the Company . Rate of interest as on 31.03.2023 is 11.20 % per annum.

(b) Borrowings from Industrial Bank is secured against stocks of raw material, WIP & finished goods held for export by the subsidiary Company situated at G-1 202-203,IID center RIICO, kaladwas , Udaipur-313003.

(c) Guaranteed by Mr.Asad Daud ,Director and Mr. Hakim Sadiq Ali Tidiwala, Wholetime Director of the parent company. Rate of interest as on 31.03.2023 is LIBOR+350 bps.

(d) Guaranteed by Mr.Asad Daud ,Director and Mr. Hakim Sadiq Ali Tidiwala ,Wholetime Director of the Parent Company. Rate of interest as on 31.03.2023 is 10.80% per annum .

(e) Guaranteed by Mr.Asad Daud, Director and Mr. Hakim Sadiq Ali Tidiwala ,Wholetime Director of the Parent Company. Rate of interest as on 31.03.2023 is 9.95% per annum .

(f) Borrowings from Industrial Bank is secured against stock of raw material, WIP & finished goods held for export by the Subsidiary Company situated at G-1 202-203,IID center RIICO, kaladwas , Udaipur-313003.

(g) Guaranteed by Mr.Asad Daud,Director and Mr. Hakim Sadiq Ali Tidiwala ,Wholetime Director of the Parent Company. Rate of interest as on 31.03.2023 is 12.00% per annum .

There is no continuing default in the payment of interest .

Note 20

| TRADE PAYABLES | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises | - | - |
| Total outstanding dues of creditors other than micro | 813.07 | 785.40 |
| | 813.07 | 785.40 |

Trade payables ageing schedule as at 31st March 2023

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | TOTAL |
| (i) Undisputed -Micro & small enterprises | - | - | - | - | - | - |
| (ii) Undisputed Others | 812.02 | - | - | - | - | 812.02 |
| (iii) Disputed dues – Micro & small enterprises | - | - | - | - | - | - |
| (iv) Disputed dues - Others | 0.40 | 0.65 | - | - | - | 1.05 |
| Total | 812.42 | 0.65 | - | - | - | 813.07 |

Trade payables ageing schedule as at 31st March 2022

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | TOTAL |
| (i) Undisputed -Micro & small enterprises | - | - | - | - | - | - |
| (ii) Undisputed Others | 782.83 | 1.45 | 0.40 | 0.68 | - | 785.36 |
| (iii) Disputed dues – Micro & small enterprises | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | 0.02 | - | 0.02 |
| Total | 782.83 | 1.45 | 0.40 | 0.70 | - | 785.40 |

Note 21

| OTHER CURRENT FINANCIAL LIABILITIES | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Interest on loan | 2.10 | 2.46 |
| | 2.10 | 2.46 |

Note 22

| OTHER CURENT LIABILITIES | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Statutory Liabilities | 57.08 | 46.09 |
| Advance received from customers | 74.38 | 32.87 |
| Others | 155.99 | 51.23 |
| | 287.45 | 130.79 |

Note 23

| PROVISIONS | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Provision for employee benefit | 14.81 | - |
| | 14.81 | - |

Note 24

| CURRENT TAX LIABILITIES | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| Current tax ( net of advance tax ) | 67.27 | 96.35 |
| | 67.27 | 96.35 |

Note 25

| REVENUE FROM OPERATIONS | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|
| (a) Manufactured Goods | 8,700.79 | 6,484.80 |
| (b) Traded Goods | 635.86 | 1,242.50 |
| (c ) Sale of Services | | |
| I) Job work | 28.82 | 64.25 |
| II) Commission-DCA | 62.29 | 76.27 |
| III) Market Research Services | - | 89.24 |
| | 91.11 | 230.76 |
| (d) Interest income (Business) | 106.16 | 108.02 |
| | 9,533.92 | 8,051.14 |

Note 26

| OTHER INCOME | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|
| (a) Rent | 0.42 | 0.48 |
| (b) Interest on financial assets on amortised cost | 31.75 | 2.86 |
| (c) Miscellaneous income | 1.11 | 3.07 |
| (d) Foreign Exchange Fluctuation | 148.42 | 50.33 |
| (e) Interest on Income tax Refund | - | 0.04 |
| (f) Subsidy -RIPS | - | 15.53 |
| | 181.70 | 72.31 |

Note 27

| COST OF MATERIAL CONSUMED | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|
| Opening Stock | 570.72 | 202.92 |
| Add: Opening of Subsidy on consolidation | - | 322.32 |
| Purchases | 5,880.20 | 4,577.04 |
| | 6,450.92 | 5,302.28 |
| Less: Closing Stock | 759.42 | 570.72 |
| | 5,691.50 | 4,731.56 |

Note 28

| PURCHASES OF STOCK-IN TRADE | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|
| Traded goods | 639.73 | 1,252.15 |
| | 639.73 | 1,252.15 |

Note 29

| CHANGES IN INVENTORIES | | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|---|
| Opening Stock | | | | |
| Finished Goods | 291.17 | | 105.59 | |
| Add. Opening of Subsidy on consolidation | - | | 209.08 | |
| Add - Goods produced during trial run | 12.72 | | - | |
| | 303.90 | | 314.59 | |
| Work-in-progress | 587.11 | | 252.85 | |
| Add - Goods produced during trial run | 118.66 | | - | |
| | 706.17 | 1,010.07 | | 567.44 |
| Less: Closing Stock | | | | |
| Finished Goods | 557.95 | | 291.17 | |
| Work-in-progress | 1,039.40 | | 587.51 | |
| | | 1,597.35 | | 878.68 |
| | | (587.28) | | (311.24) |

Note 30

| EMPLOYEE BENEFITS * | | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|---|
| (i) Salaries, wages and bonus | | 338.02 | | 267.75 |
| (ii) Contribution to provident and other funds | | 20.63 | | 15.87 |
| (iii ) Gratuity | | 24.40 | | 8.50 |
| (vi) Staff welfare expenses | | 40.53 | | 22.30 |
| | | 443.58 | | 315.32 |

* Net of Employee Benefit Capitalised of Rs.108.35 lakhs (Previous Year Rs. 60.04 lakhs)

Note 31

| FINANCE COSTS* | | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|---|
| (I) Interest expenses | | | | |
| (a) Interest on borrowings | | 283.21 | | 121.35 |
| (b ) Interest on delayed payment of taxes | | 13.40 | | - |
| (c ) Foreign exchange Fluctuation of PCFC | | 2.54 | | - |
| (II) Other borrowing costs - Processing Charges | | 3.85 | | 2.15 |
| | | 303.00 | | 123.50 |

* Net of interest Capitalised of Rs.180.81 lakhs (Previous Year Rs.75.46 lakhs)

Note 32

| OTHER EXPENSES * | | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|---|
| Advertise and publicity | | 8.39 | | 4.57 |
| Bag Printing Expenses | | 15.35 | | 22.85 |
| Bag Stitching Expenses | | 146.66 | | 121.70 |
| Bank Commission and charges | | 29.02 | | 18.68 |
| Books & Periodicals | | 0.36 | | 0.20 |
| Carriage Outward | | 52.11 | | 39.89 |
| Other manufacturing Exp | | 308.29 | | 30.07 |
| Charity and Donations | | - | | 6.05 |
| Material Handling Charges | | 3.56 | | 2.18 |
| Packing Materials | | 49.85 | | 12.91 |
| Payment to Auditors | | | | |
| (i) as Audit Fee | | 0.46 | | 0.38 |
| (ii) for reimbursement of expenses | | 0.05 | | 0.03 |
| Postage & Telegram | | 8.71 | | 3.42 |
| Printing Ink | | 51.70 | | 36.81 |
| Rating Charges | | 1.03 | | 0.40 |
| Rebate, Claim & Discounts | | 6.64 | | 9.58 |
| Repairs & Maintenance ( Others ) | | 44.42 | | 28.13 |
| Sales Promotion Exp | | 1.25 | | 3.98 |
| Software Expenses | | 3.45 | | 2.11 |
| Sorting and cleaning charges | | 29.30 | | 19.15 |
| Stationery & Printing | | 6.17 | | 4.14 |
| Subscription & Membership | | 7.33 | | 2.55 |
| Telephone and Mobile | | 3.49 | | 2.66 |
| Travelling Expenses | | 23.37 | | 5.64 |
| Vehicle Running & Maintenance Expenses | | 4.80 | | 2.00 |
| Warehouse Management charges | | 4.88 | | 4.70 |
| Water Expenses | | 2.19 | | 1.87 |
| | | 2,668.20 | | 1,402.26 |

* Net of Other Expenses Capitalised of Rs.42.85 lakhs (Previous Year Rs. 3.56 lakhs)

Note 33

| Additional Information | | For the year ended 31.03.2023 | | For the year ended 31.03.2022 |
|---|---|---|---|---|
| (i) Depreciation and Amortisation : | | | | |
| (a) Depreciation expense | | 139.09 | | 98.88 |
| (b) Amortization expense | | 1.24 | | 1.77 |
| | | 140.33 | | 100.65 |
| | | | | |
| (ii) Payment to Auditors * | | | | |
| (a) as Statutory Auditor | | 0.48 | | 0.38 |
| (b) Reimbursement of expenses | | 0.05 | | 0.03 |
| | | 0.53 | | 0.41 |

* excludes Rs. 3.70 lakhs (Previous Year Rs. 2.30 lakhs ) paid for certification , in the nature of initial public offer issues expenses accounted in Securities Premium Account

Note 34

Earnings per share

| | 2022-2023 | | 2021-2022 |
|---|---|---|---|
| Earning per share has been computed as under | | | |
| (a) Profit for the year | 376.06 | | 457.54 |
| (b) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per | 13887507 | | 15596000 |
| (c) Effect of potential Equity shares on conversion | - | | 0 |
| (d) Weighted average number of equity shares in computing diluted earnings per share [(b) + (c)] | 13887507 | | 15596000 |
| (e) Earnings per share on profit for the year (Face -Basic (a/b) | 2.70 | | 2.81 |
| (Diluted (a/d) | 2.70 | | 2.81 |

Note 35

Contingent liabilities and commitments

| (a) Contingent liabilities | Rs. in lakhs | | Rs. in lakhs |
|---|---|---|---|
| Claims against excise duty and other matters | 31st March,2023 | | 31st March,2022 |
| To Income tax Matters * | 0.79 | | 1.01 |
| Total | 0.79 | | 1.01 |

*Net of deposit

It is not practicable for the Group to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

**(b) Commitments**

Rs. in lakhs

| • Estimated amount of contracts remaining to be executed on | | | | | 729.42 |
|---|---|---|---|---|---|
| GUARANTEES | | | 31st March,2023 | | 31st March,2022 |
| i) Guarantee issued by Uco Bank | | | 700.00 | | 500.00 |
| ii) Guarantee given on behalf of subsidiary<br>a) Guarantee given by the Company to Uco Bank against cash credit limit provided to Filtcorp Polyweave private Limited | | | 300.00 | | - |

Note 36

**Financial Instruments and Related Disclosures :**

**1. Capital Management**

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Group.

The Group's objectives when managing capital are to:

• safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

• Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets.

The Group determines the amount of capital required on the basis of annual business plan also taking into consideration any long term strategic investment and expansion plans. The funding needs are met through equity and cash generated from operations.

The Group's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Group funds its operations through internal accruals, borrowings etc. The Group aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

During the year ,to support the capital requirements , the Parent has raised a sum of Rs. 6630 lakhs through an Initial Public Offer of 10200000 equity Shares of Rs. 10/- each at a premium of Rs.55/- per share. The issue closed on 04.01.2023 and the equity shares were traded and listed on two premier stock exchanges of India namely BSE and NSE with effect from 12.01.2023. With this the paid up share capital of the Company stood at Rs.2570.60 lakhs and Securities Premium at Rs.4052.88 lakhs after adjusting the public issue expenses.

**2. Categories of financial instruments**

| Particulars | Note | As at 31st March,2023 | | As at 31st March,2022 | |
|---|---|---|---|---|---|
| | | Carrying Value | Fair Value | Carrying Value | Fair Value |
| **Financial assets** | | | | | |
| Measured at amortised cost | | | | | |
| i) Cash and cash equivalent | 6 | 1,061.54 | 1,061.54 | 189.78 | 189.78 |
| ii) Other Bank balance | 10 | 1,089.99 | 1,089.99 | 59.22 | 59.22 |
| a) Loan | 4&11 | 842.70 | 842.70 | 685.22 | 685.22 |
| c) Trade receivables | 8 | 1,614.37 | 1,614.37 | 1,385.58 | 1,385.58 |
| vi) Other financial assets | 5&12 | 140.00 | 140.00 | 79.15 | 79.15 |
| Total Financial assets | | 4748.40 | 4748.40 | 2198.95 | 2398.95 |
| **Financial Liabilities** | | | | | |
| Measured at amortised cost | | | | | |
| i) Cash Credit facilities | 19 | 1,123.59 | 1,123.59 | 731.73 | 731.73 |
| ii)Term loans | 17 | 1,100.21 | 1,100.21 | 207.96 | 207.96 |
| iii) Other loans | 19 | 280.99 | 280.99 | 2,122.12 | 2,122.12 |
| iii) Trade payables | 20 | 813.07 | 813.07 | 785.40 | 785.40 |
| Total financial liabilities | | 3,317.86 | 3,317.86 | 3,829.21 | 3,829.21 |

**3 : FINANCIAL RISK MANAGEMENT**

The activities of the Group exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Group seeks to minimise the potential impact of unpredictability of the financial markets on its financial performance. The Group does regularly monitor ,analyse and manage the risks faced by the Group and to set and monitor appropriate risk limits and controls for mitigation of the risks.

**A. MANAGEMENT OF MARKET RISK:**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings and investments . The Group has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

**(i) Management of interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks since its borrowings and investments are all in fixed rate instruments.

**(ii) Management of price risk:**

The Group has no surplus for investment in debt mutual funds, deposits etc. The Group does make deposit with the banks to provide security/margin against guarantee given by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

**(iii) Management of currency risk:**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The Group mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures etc.. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Group may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk(The Group has exposure only in USD/EURO converted to functional currency i.e.INR)

The currency profile of financial assets and financial liabilities as at March 31st, 2023, are as below:

| | | Rs. In Lakhs | | Rs. In Lakhs |
|---|---|---|---|---|
| Financial assets | Exposure currency | As at 31.03.2023 | Exposure currency | As at 31.03.2022 |
| Trade receivables | USD | 543.19 | USD | 655.88 |
| | EURO | 544.19 | EURO | 34.12 |
| | GBP | 75.51 | GBP | 30.94 |
| Trade payable | USD | 0.03 | USD | - |
| | GBP | -42.17 | GBP | - |
| | | 1,120.69 | | 700.94 |

Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of the Indian Rupee against USD/EURO at March 31 would have affected the measurement of financial instruments denominated in USD/EURO and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

| | | | | Rs in lakhs |
|---|---|---|---|---|
| | As at | | Strengthening | Weakening |
| Profit/(Loss) | 31.03.2023 | | 56.03 | 56.03 |
| Profit/(Loss) | 31.03.2022 | | 35.05 | 35.05 |

**B. MANAGEMENT OF CREDIT RISK:**

Credit risk refers to the risk of default on its obligations by a counter party to the Group resulting in a financial loss to the Group. The Group is exposed to credit risk from its operating activities (trade receivables) and foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Group's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Group extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Group has no concentration of credit risk as the customer base is widely distributed.

The Group's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

**C. MANAGEMENT OF LIQUIDITY RISK:**

Liquidity risk is the risk that the Group may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Group's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Group closely monitors its liquidity position and has a cash management system. The Group maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

The Group's Current assets aggregate toRs.7647.48 (pr yr Rs. 4116.32) lakhs including Cash and cash equivalents and Other bank balances of Rs.2151.33 (pr.yr Rs. 249.00) lakhs against an aggregate Current liability of Rs.2843.91 (pr yr Rs. 3913.56) lakhs ; Non-current liabilities due between one year to three years amounting to Rs. 843.58 (pr yr Rs. 145.23) lakhs and Non-current liability due after three years amounting to NIL on the reporting date. Further, while the Group's total equity stands at Rs.8758.18 (Pr yrRs. 2664.81) lakhs, it has non-current borrowings of Rs. 845.58 (pr yr Rs. 145.23) lakhs. In such circumstances, liquidity risk or the risk that the Group may not be able to settle or meet its obligations as they become due does not exist.

**D. Fair value measurement**

**Fair value hierarchy**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Group has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

| Particulars | Fair value hierarchy | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|---|
| | | Fair Value | Fair Value |
| **Financial assets** | | | |
| Measured at amortised cost | | | |
| i) Cash and cash equivalent | L2 | 1,061.54 | 189.78 |
| ii) Other Bank balance | L2 | 1,089.99 | 54.22 |
| iii) Loan | L2 | 842.70 | 685.22 |
| iv) Trade receivables | L2 | 1,614.37 | 1,385.58 |
| v) Other financial assets | L2 | 140.00 | 78.15 |
| Total Financial assets | | 4748.60 | 2398.95 |
| **Financial Liabilities** | | | |
| Measured at amortised cost | | | |
| i) Cash Credit facilities | L2 | 1122.99 | 213.73 |
| ii)Term loans | L2 | 1100.21 | 207.99 |
| iii) Other loans | L2 | 280.99 | 2122.12 |
| iv) Trade payables | L2 | 813.07 | 785.40 |
| Total financial liabilities | | 3317.86 | 3329.21 |

Note 37

Disclosures in respect of related parties pursuant to Ind AS 24

(i) Ultimate Holding Company

01) Sat Industries Limited

(ii) Fellow Subsidiary :

Italica Furniture Private Limited (since amalgamated with Sat Industries Limited )

(iii) Key Managerial Personnel

01) Mr. Hakim Sadiq Ali Tidiwala, Wholetime Director

02) Mr.Murtaza Ali Moti, Wholetime Director

03) Mr. Asad Daud,Director

04) Mr. Lalit Kumar Bolia, Chief Financial Officer

05) Mrs. Ruael Saxena,Company Secretary

(iv) Taha Charitable Trust

Rs in lakhs

During the year following transactions were carried out with the related parties in the ordinary course of business at arm's length price :

| Name of related party | Nature of relation | For the period ended on 31/03/2023 | For the period ended on 31/03/2022 | Nature of transaction |
|---|---|---|---|---|
| Sat Industries Limited | Holding Company | 410 | 1,005.83 | Loan Taken |
| | | 1180 | 313.93 | Loan Repayment |
| | | 66.18 | 20.86 | Interest Paid |
| | | 0 | 0.58 | Export Incentive |
| | | 0.42 | 0.48 | Rent Received |
| Taha Charitable Trust | Director is trustee | 4.25 | - | CSR Expenditure |
| Remuneration | Key Management Personnel | 43.00 | 36.70 | Remuneration |

| Closing balances | | | |
|---|---|---|---|
| **Name** | As at 31/03/2023 | | As at 31/03/2022 |
| Sat Industries Limited | - | | 780.00 * |
| Closing balances in the case of other parties is NIL | | | |

*credit balance

No amount in respect of the related parties have been written off/ back are provided for during the year.

Related party relationship has been identified by the Management and relied upon by the auditors.

Terms and conditions of transactions with related parties

The sale to and purchases from related parties are made in the ordinary course of business and based on the price lists in force and terms that would be available to third parties.

The loans to and from related parties are made in the ordinary course of business and are on arm's length basis based on the price lists in force and terms that would be available to third parties.

Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. No provision are held against receivables from related parties.

**Note 38**

**EMPLOYEE BENEFITS**

**a) DEFINED CONTRIBUTION PLAN**

**Provident Fund:**

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

**b) DEFINED BENEFIT PLAN**

**Gratuity:**

The Group participates in the Employees' Group Gratuity-Scheme of Life Insurance Corporation Limited, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity (Amendment) Act, 1997, or as per the Group's scheme whichever is more beneficial to the employees.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

**Provident Fund:**

The Group makes Provident Fund contribution to the Government administered Provident fund. The Group has no part to play in this respect.

**c) Amounts Recognised as Expense:**

**i) Defined Contribution Plan**

Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to Rs. 17.51 (pr yr Rs.14.98 Lakhs has been included under Contribution to Provident and Other Funds.

**ii) Defined Benefit Plan**

Gratuity cost amounting to Rs.24.40 (pr yr Rs. 8.56) Lakhs has been included in Note 30 under Contribution to Provident and Other Funds.

**Note 39**

TAX RECONCILIATIONS

Rs. in lakhs

| | Period ended March 31,2023 | | Period ended March 31,2022 |
|---|---|---|---|
| **Tax expenses recognised in the Statement of Profit and Loss** | | | |
| **Current Tax :** | | | |
| Current tax on profits for the year | 55.80 | | 108.90 |
| Deferred tax (Net) | 80.45 | | 2.81 |
| Total income tax expense | 136.54 | | 111.71 |

Reconciliation of tax expenses and the accounting profit

The reconciliation between estimated income tax at statutory income tax rate into income tax expenses reported in Statement of Profit and Loss is given below :

| | Period ended March 31,2023 | | Period ended March 31,2022 |
|---|---|---|---|
| Profit before income tax | 112.40 | | 549.25 |
| Indian statutory income tax rate | 27.82% | | 27.82% |
| Expected income tax expenses | 142.55 | | 152.80 |
| **Tax effect of adjustment to reconcile expected income tax Expenses to reported Income tax Expense** | | | |
| Tax impact of income not subject to tax | - | | - |
| Tax effects of amounts which are not deductible for taxable income | - | | - |
| Tax impact due to 938 of the Income tax Act,1961 | - | | 0.76 |
| MAT credit adjustments | (50.82) | | - |
| Others | (36.20) | | (44.66) |
| | (87.02) | | (43.90) |
| Total income tax expenses | 55.53 | | 108.90 |
| Effective rate of tax (%) | 10.84 | | 19.83 |

**Deferred Tax (Liabilities)**

| | Period ended March 31,2023 | | Period ended March 31,2022 |
|---|---|---|---|
| **Property Plant and Equipment** | 78.29 | | 2.81 |
| Others | - | | - |
| Total deferred tax liabilities | 78.29 | | 2.81 |

**Deferred Tax Assets**

| | Period ended March 31,2023 | | Period ended March 31,2022 |
|---|---|---|---|
| **Provisions** | | | |
| Others | 0.31 | | - |
| Total deferred tax Assets | 0.31 | | - |

| | | |
|---|---|---|
| Net Deferred tax (Liabilities/Assets | 80.45 | 2.81 |

**Movement in Deferred tax Liabilities /Assets**

| | Property, plant and equipment | Other deferred tax liability | Provision | Other Deferred Tax Assets | Deferred Tax Liabilities/Asset (Net) |
|---|---|---|---|---|---|
| As at 31st March, 2021 | 133.43 | 0.94 | 8.21 | 25.13 | 147.67 |
| (Charged)/Credited to profit and Loss account | 2.81 | - | 0 | 1.35 | 0.46 |
| As at 31st March, 2022 | 136.24 | 0.94 | 8.21 | 25.47 | 149.13 |
| (Charged)/Credited to profit and Loss account | 78.29 | - | 0 | 0.31 | 78.18 |
| As at 31st March, 2023 | 214.53 | 0.94 | 8.21 | 25.78 | 227.31 |

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

| Tax Credits carried forward | | As at March 31,2023 | Expiry date | As at March 31,2022 | Expiry date |
|---|---|---|---|---|---|
| 2022-23 | | 33.11 | 31.03.2038 | 0.00 | |

**Note 40**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due to further interest due and payable in the succeeding years. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

| Information relating to the Micro, Small and Medium Enterprises | | As at 31.03.2025 | As at 31.03.2022 |
|---|---|---|---|
| (a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:<br>(i) Principal amount<br>Interest | (i) | - | - |
| (b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | | - | - |
| (c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | | - | - |
| (d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and | | - | - |
| (e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | | - | - |

**Note 41**

**SEGMENT INFORMATION**

The Company operates in three primary business segments viz. Manufacturing of Fabrics & Woven Sacks etc., Consignment Stockist and financing Activities. As per Ind AS 108 " Operating Segment", the segments details are as under

**Primary :**

| Particular | | | Year Ended 31.03.2025 | Year Ended 31.03.2022 |
|---|---|---|---|---|
| **Segment Revenue** | | | | |
| Manufacturing | | | 8,725.61 | 6,624.35 |
| Trading | | | 698.35 | 1,118.77 |
| Finance | | | 106.16 | 108.02 |
| Total | | | 9,530.02 | 8,051.14 |
| Other Income | | | 191.70 | 72.31 |
| Total Revenue | | | 9,721.62 | 8,123.45 |
| **Segment result** | | | | |
| Manufacturing | | | 264.22 | 333.31 |
| Trading | | | 67.42 | 86.62 |
| Finance | | | 59.06 | 57.01 |
| **Total Segment Results** | | | 330.70 | 476.94 |
| Other Income | | | 181.70 | 72.31 |
| Profit before tax | | | 512.40 | 549.25 |
| Provision for tax | | | 136.34 | 111.71 |
| Profit after tax | | | 376.06 | 437.54 |
| | | | | |
| **Segment Assets** | | | | |
| Manufacturing | | | 11,773.15 | 6,181.51 |
| Trading | | | - | - |
| Finance & Investment | | | 842.70 | 685.22 |
| **Total** | | | 12,615.85 | 6,866.73 |
| **Segment Liabilities** | | | | |
| Manufacturing | | | 3,142.64 | 3,593.69 |
| Trading | | | 335.09 | 89.76 |
| Finance & Investment | | | 280.08 | 558.47 |
| **Total** | | | 3,577.73 | 4,241.92 |
| **Capital employed** | | | 9,038.12 | 2,664.81 |
| | | | - | |
| **Capital Expenditure** | | | | |
| Manufacturing | | | 3,933.46 | 255.62 |
| Trading | | | - | - |
| Finance & Investment | | | - | - |
| Total | | | - | - |
| **Depreciation and amortization** | | | | |
| Manufacturing | | | 140.33 | 100.85 |
| Trading | | | - | - |
| Finance & Investment | | | - | - |
| Total | | | 140.33 | 100.85 |

Secondary :

| GEOGRAPHICAL INFORMATION | March 31,2023 | Rs. in lakhs<br>March 31,2022 |
|---|---|---|
| Non Current Assets – Within India | 4,968.37 | 2,750.41 |
| – Outside India | | - |
| Revenue from external customers – Within India | 2,876.50 | 3,272.95 |
| – Outside India | 6,466.15 | 4,439.39 |

**Note 42**

The Group has elected not apply the Indian Accounting Standard (Ind AS) 116- Leases to account for those leases where underlying assets is of low value.

**Note 43**

Balances of banks, sundry debtors and trade payables , current liabilities etc. as on 31.03.2023 are subject to confirmation and reconciliation.

**Note 44**

In the opinion of the Management ,there is no impairment of assets in accordance with the Ind AS -36 as on the Balance Sheet date.

**Note 45**

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

**Note 46**

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

**Note 47**

The financial statements were authorised for issue by the Board of Directors on May 18,2023.

**Note 48**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimal thereof as per the requirements of Schedule III to the Companies Act,2013, unless otherwise stated.

**Note 49**

Previous year's figures have been reclassified/regrouped wherever necessary to conform with the current Financial Statements.

**Note 50**

No proceeding has been initiated or pending against the Parent and Subsidiary for holding any benami property under the Benami Transactions ( Prohibition) Act,1988 and rules made thereunder.

**Note 51**

The Group has borrowings from banks on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.

**Note 52**

The Parent and Subsidiary are not declared willful defaulters by any bank or financial institution or other lender.

**Note 53**

The Group has no transaction with companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act,1956.

**Note 54**

There is no charges or satisfaction yet to be registered with ROC beyond the statutory period.

**Note 55**

The Group has complied with the number of layers, wherever applicable, prescribed under clause (87) of section 2 of the Companies Act,2013 read with the Companies (Restriction on number of Layers) Rules,2017.

**Note 56**

The Board of Directors of parent has recommended Final Dividend of Rs. 0.50 per Equity Share for the financial year ended 31st March, 2023 (for the year ended 31st March, 2022- NIL equity share) to be paid on fully paid Equity Shares amounting to Rs. 128.98 lakhs. The Final Dividend is subject to the approval of shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

**Note 57**

Events after the Reporting Period

The Board of Directors parent has recommended dividend of Rs. 0.50 per fully paid up equity share of Rs. 10/- each for the financial year 2022-23.

**Note 58**

No Scheme of Arrangement has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act,2013.

**Note 59**

Utilisation of Borrowed funds and share premium :

(a) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding ( whether recorded in writing or otherwise) that the Intermediary (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company(Ultimate Beneficiaries ) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Group has not received any fund from any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding ( whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate Beneficiaries ) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**Note 60**

There is no transaction not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961. Further there is no previously unrecorded income and related assets requiring recording in the books of account during the year.

**Note 61**

The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

**Note 62**

No Scheme of Arrangement has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act,2013.

**Note 63**

Expenditure incurred on corporate social responsibility activities:
Expenditure incurred under Section 135 of the Companies Act, 2013 on Corporate Social Responsibility (CSR) activities - Rs. 4.91 ( 2022 - Rs. Nil lakhs)

| | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| (1) Gross amount required to be spent by the company during the year | 4.91 | - |
| (2) Amount spent during the year on: | - | - |
| (i) Construction/acquisition of any asset | - | - |
| (ii) On purposes other than (i) above | | |
| Health | 0.66 | - |
| Education | 4.25 | |
| | 4.91 | - |

Out of Unless, Rs 4.25 lakhs (Previous Year Rs. Nil) contributed to Take Charitable Trust which is related party and Rs 0.66 lakhs were contributed to Other Charitable institution

**Note 64**

The Group has done an assessment to identify Core Investment Company (CIC) [including CICs in the Group] as per the necessary guidelines of Reserve Bank of India [including Core Investment Companies (Reserve Bank) Directions, 2016]. The Group is not a CIC and no entities have been identified as CIC in the Group, of which Parent and subsidiary is a part.

**Note 65**

Revenue from contract with customers differ from the revenue as per contracted price due to factors such as taxes recovered, volume rebate, discounts, etc.

**Note 66**

The Group has assets ( equipment etc.) with a lease term of 12 months or less. The Group applies the 'short term lease' recognition exemption for these leases. The Group also has certain leases of assets of low value. The Company applies 'low values lease" recognition exemption for these leases.

**Note 67**

The Group has neither long-term contracts nor derivatives as at March 31, 2023.

**Note 68**

The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**Note 69**

The Parliament of India has approved the Code on Social Security, 2020 (the Code) which may impact the contributions by the company towards provident fund, gratuity and ESIC. The Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. Final rules are yet to be notified. The company will assess the impact of the Code when it comes into effect and will record related impact, if any.

**Note 70**

| The companies considered in the consolidated financial statement are : | | | |
|---|---|---|---|
| Name | Country of incorporation | % of ownership interest as at 31/03/2022 | % of ownership interest as at 31/03/2021 |
| **Subsidiary :** | | | |
| Vibrant Polyweave Private Limited | India | 51.01 | 51.01 |

**Note 71**

Additional information , as required under schedule III to the Companies Act,2013, of enterprises controlled as subsidiary (after elimination) for the year ended March 31, 2023.

| Name of the enterprises | Net assets (i.e. total assets minus total liabilities ) | | Share in profit or Loss | | Share in Other comprehensive income | |
|---|---|---|---|---|---|---|
| | As % of consolidated net assets | Amount ( Rs. In lakhs) | As % of consolidated profit or loss | Amount ( Rs. In lakhs) | As % of consolidated Other comprehensive income | Amount ( Rs. In lakhs) |
| **Parent** | | | | | | |
| Sab Polymers Limited | 88.01 | 11102.73 | 87.78 | 447.23 | - | - |
| **Subsidiary** | | | | | | |
| **Indian** | | | | | | |
| Vibrant Polyweave Private Limited | 11.99 | 1511.34 | 12.22 | 65.17 | - | - |
| Total | 100.00 | 12615.85 | 100 | 512.40 | - | - |

As Per our Audit Report of even date attached

for and on behalf of
H.R. JAIN & CO.,
Chartered Accountants
FRN : 002630C

Manoj Jain
Proprietor
M.No. 400459
Udaipur, May 18,2023

UDIN: 23400459BGUJ2X8157

for and on behalf of the Board

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN: 00119158

MURTAZA ALI MOTI
Wholetime Director
DIN: 03870224

LALIT KUMAR BOLIA
Chief Financial Officer

RUNEL SAXENA
Company Secretary
M.No. 28022

YASAD DAUD
Director
DIN: 02491539

**AJAY PALIWAL & CO.**
CHARTERED ACCOUNTANTS
418, TEACHERS COLONY, AMBAMATA SCHEME, UDAIPUR- 313 001
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## INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF FIBCORP POLYWEAVE PRIVATE LIMITED

### Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of **FIBCORP POLYWEAVE PRIVATE LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generallyaccepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in ouraudit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as

a whole, and in forming our opinion there on, and we do not provide a separate opinion on these matters.

On the facts and circumstances of the company and the audit, we determine that there are no key Audit matters to communicate.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do notexpress any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibilities for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act withrespect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity andcash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative

but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statementsas a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain auditevidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease

to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

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d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specifiedunder Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with therequirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance withthe provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position inits standalone financial statements - Nil

ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

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Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

© Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under and (b) above, contain any material misstatement.

(v) The Company has neither proposed nor paid any dividend during the year.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For M/s AJAY PALIWAL& CO.
Chartered Accountants
Firm Reg. No.012345C

(CA AJAY PALIWAL )
Proprietor
Membership No. 403290
Place: UDAIPUR
Date: 20/04/2024
UDIN: 24403290BKHGCT7614

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of FIBCORP POLYWEAVE PRIVATE LIMITED)**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub- section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls over financial reporting of **FIBCORP POLYWEAVE LIMITED** (the "Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating

effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of materialmisstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use,or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including thepossibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



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**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For M/s AJAY PALIWAL& CO.
Chartered Accountants
Firm Reg. No.012345C

(CA AJAY PALIWAL )
Proprietor
Membership No. 403290
Place: UDAIPUR
Date: 20/04/2024
UDIN: 24403290BKHGCT7614

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

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## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of FIBCORP POLYWEAVE PRIVATE LIMITED of even date)**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. (A) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) As explained to us, all the Property, Plant and Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.

(c) According to information's and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the names of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment and other assets.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) As explained to us that the inventory has been physically verified during the year by management. In our opinion the frequency of verification is reasonable and the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business and the company is maintaining proper records of inventory, no material discrepancies were noticed on physical verification of the inventory.

(b)During the year the Company has not been availing working capital in excess of Rs. 5 crore during the year on the basis of security of current assets and the quarterly returns or statements filed by the company with financial institutions or banks in agreement with the books of account of the Company.

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(iii) During the year the Company has not made investments in but has granted unsecured loans to companies,
firms, Limited Liability Partnerships or other parties but has not stood guarantee or provided security to any other entity ,

a) During the year the Company has provided loans or provided advances in the nature of loans but has not stood guarantee or provided security to any other entity –

(A) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances to subsidiaries, joint ventures and associates; --- NIL

(B) The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances to parties other than subsidiaries, joint ventures and associates;

| | Aggregate amount during the year Rs. In lakh | Amount outstanding as on 31/03/2024 Rs. In lakhs |
|---|---|---|
| (A) Subsidiaries, joint venture and associates | | |
| (B) Others | 2.04 | 1.86 |

(b) The Company has neither provided guarantees nor given security. The investments made are not prejudicial to the interest of the Company. Further the terms and conditions of the grant of all loans and advances in the nature of loans, except wherever interest free loans have been granted, are not prejudicial to the Company's interest.

(c) in respect of loans and advances in the nature of loans, no schedule of repayment of principal and payment of interest has been stipulated.

(d) In respect of aforesaid loans, there is no amount overdue for more than ninety days.

(e) During the year no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;

(f) During the year the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the

AJAY PALIWAL & CO.
CHARTERED ACCOUNTANTS
418, TEACHERS COLONY, AMBAMATA SCHEME, UDAIPUR- 313 001
TEL- 0294 2430466, E Mail-ajayhpaliwal@gmail.com

Companies Act, 2013 are as under;

| Aggregate amount (Rs. In lakhs) | % of the total loans granted | Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 ( Rs. In lakhs) |
|---|---|---|
| 2.04 | 100% | NIL |

iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi) The maintenance of cost records has not been specified by the Central Government under sub- section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company. In respect of statutory dues:

vii) (a)In our opinion, the Company has been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b)Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

| Nature of the statute | Nature of dues | Forum whereDispute is Pending | Period to which the Amount Relates | Amount ₹ in lacs |
|---|---|---|---|---|
| INCOME TAX ACT 1961 | ASSESSMENT ORDER | INCOME TAX DEPT | FY 2021-22 | 960800 |

viii) there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

**AJAY PALIWAL & CO.**
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ix) (a) The Company has not defaulted in repayment of dues to a financial institution, bank.

(b)The Company has not been declared wilful defaulter by any bank or financial institution orgovernment or any government authority

(c)The Company has not taken any term loan during the year .

(d)On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e)The Company does not have any subsidiary, associate and joint venture hence, reporting under clause 3(ix)(e) and (f) of the Order are not applicable.

x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of theOrder is not applicable.

(a) During the year, the Company has not made any preferential allotment or private placementof shares or convertible debentures (fully or partly or optionally) and hence reporting underclause 3(x)(b) of the Order is not applicable.

xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) No whistle blower complaints received by the Companyduring the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable

xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

# AJAY PALIWAL & CO.

CHARTERED ACCOUNTANTS
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xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of theOrder is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii) During the year there has been no resignation of statutory auditors.

xix) On the basis of the financial ratios, notes, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We furtherstate that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) The Company does not qualify under the provisions of section 135 of the Companies Act, 2013 accordingly reporting under clause 20 (a) and (b) of the order is not applicable.

xxi ) Clause xxi of CARO ,2020 is not applicable as this audit report is relating to standalone financial statements.

For M/s AJAY PALIWAL& CO.
Chartered Accountants
Firm Reg. No.012345C

(CA AJAY PALIWAL )
Proprietor
Membership No. 403290
Place: UDAIPUR
Date: 20/04/2024
UDIN: 24403290BKHGCT7614

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

## FIBCORP POLYWEAVE PRIVATE LIMITED

### BALANCE SHEET FOR THE PERIOD ENDED ON 31.03.2024

| Particulars | Note | Year Ended "Amount in Lacs" 31/03/2024 | Year Ended "Amount in Lacs" 31/03/2023 |
|---|---|---|---|
| **ASSETS** | | | |
| (1) **Non-current assets** | | | |
| (a) Property, Plant and Equipment | 3 | 80.52 | 94.48 |
| (b) Capital work -in- Progress | | - | - |
| (h) Financial Assets | | | |
| (i) Loans | | - | - |
| (ii) Others | 4 | 7.83 | 7.66 |
| (i) Deferred tax assets (net) | 5 | 1.91 | 11.84 |
| (j) Other non-current assets | | | - |
| (2) **Current assets** | | | |
| (a) Inventories | 6 | 953.70 | 767.44 |
| (b) Financial Assets | | | |
| (i) Investments | | - | - |
| (ii) Trade receivables | 7 | 141.94 | 557.13 |
| (iii) Cash and cash equivalents | 8 | 3.02 | 11.31 |
| (iv) Bank balances other than (iii) above | | - | - |
| (v) Loans | 9 | 1.86 | 0.75 |
| (vi) Others | | - | - |
| (c) Current Tax Assets | 10 | - | - |
| (d) Other current assets | 11 | 94.75 | 74.36 |
| **Total Assets** | | 1,285.54 | 1,524.97 |
| **EQUITY** | | | |
| (a) Equity Share Capital | 12 | 66.43 | 66.43 |
| (b) Other Equity | 13 | 563.57 | 537.40 |
| **LIABILITIES** | | | |
| (1) **Non-current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | | - | - |
| (i) Deferred tax liability (net) | 5 | | - |
| (2) **Current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 14 | 455.67 | 586.48 |
| (ia) Lease liabilities | | - | - |
| (ii) Trade payables : | | | |
| (A)Total outstanding dues of micro enterprises and small enterprises | | - | - |
| (B)Total outstanding dues of creditors other than micro enterprises and small enterprises | 15 | 135.74 | 259.98 |
| (i) Other financial liabilities(other than those specified in item(c) | | - | - |
| (b) Other current liabilities | 16 | 35.13 | 46.38 |
| (c) Provisions | 17 | 24.78 | 14.37 |
| (d) Current Tax Liabilities | 18 | 4.22 | 13.93 |
| **Total Equity and Liabilities** | | 1,285.54 | 1,524.97 |

See accompanying notes to the financial statements 1 to 54

As per our Audit report of even date attached.

for and on behalf of
AJAY PALIWAL & CO.,
Chartered Accountants
FRN : 012345C

AJAY PALIWAL
Proprietor
M.No. 403290
Udaipur. APRIL 20,2024
UDIN: 24403290BKHGCT7614

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

for and on behalf of the Board

Murtaza Ali Moti
Director
DIN No: 07876224

Fatima Moti
Director
DIN No: 07876195

## FIBCORP POLYWEAVE PRIVATE LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED ON 31.03.2024

| Particulars | Note | Year Ended 31.03.2024 "Amount in Lacs" | Year Ended 31.03.2023 "Amount in Lacs" |
|---|---|---|---|
| I Revenue from operations | 19 | 3,324.07 | 3,969.25 |
| II Other income | 20 | 13.48 | 41.34 |
| III Total Income (I+II) | | 3,337.55 | 4,010.59 |
| IV. Expenses : | | | |
| Cost of Materials consumed | 21 | 1,913.81 | 2,614.77 |
| Purchases of Stock-in-Trade | 22 | 641.66 | 169.42 |
| Changes in inventories of finished goods | 23 | (391.17) | (83.62) |
| Work-in-progress and Stock -in-Trade | | - | - |
| Employee benefits expense | 24 | 297.33 | 157.48 |
| Finance costs | 25 | 56.21 | 35.39 |
| Depreciation and amortization expense | 3 | 23.42 | 27.78 |
| Other expenses | 26 | 745.04 | 987.48 |
| Total expenses | | 3,286.29 | 3,908.70 |
| V Profit before exceptional items and tax(III-IV) | | 51.26 | 101.89 |
| VI. Exceptional items | | - | - |
| VII Profit/(loss) before tax (V-VI) | | 51.26 | 101.89 |
| VIII Tax expense : | | | |
| (1) Current tax | 27 | 17.88 | 35.96 |
| (2) Deferred tax | 27 | 7.22 | (6.86) |
| IX Profit(loss)for the period from continuing operation (VII-VIII) | | 26.16 | 72.79 |
| X Profit/(Loss) from discontinued operations | | - | - |
| XI Tax expense of discontinued operations | | - | - |
| XII Profit/(loss) from discontinued operation (X-XI) | | - | - |
| XIII Profit(loss) for the period (IX+XII) | | 26.16 | 72.79 |
| XIV Other Comprehensive Income | | | |
| A(i) Item that will not be reclassified to profit or loss | | - | - |
| (ii) Income tax relating to item that will not be reclassified to profit or loss | | - | - |
| B(i) Item that will be reclassified to profit or loss | | - | - |
| XV (ii) Income tax relating to item that will be reclassified to profit or loss | | - | - |
| XVI Total Comprehensive Income for the period (XIII+XIV) ( Comprising profit (loss) and other Comprehensive Income for the period ) | | 26.16 | 72.79 |
| XVII Earnings per equity share:(for continued Operation): | | | |
| (1) Basic | 28 | 39.38 | 109.58 |
| (2) Diluted | 28 | 39.38 | 109.58 |
| XVII Earnings per equity share (for discontinued Operation): | | | |
| (1) Basic | | - | - |
| (2) Diluted | | - | - |
| XVIII Earnings per equity share (for discontinued & continuing operations) | | | |
| (1) Basic | 28 | 39.38 | 109.58 |
| (2) Diluted | 28 | 39.38 | 109.58 |

See accompanying notes to the financial statements 1 to 54

As per our Audit report of even date attached.

for and on behalf of
AJAY PALIWAL & CO.,
Chartered Accountants
FRN : 012345C

AJAY PALIWAL
Proprietor
M.No. 403290
Udaipur, APRIL 20,2024
UDIN: 24403290BKHGCT7614

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

for and on behalf of the Board

Murtaza Ali Moti
Director
DIN No: 07876224

Fatima Moti
Director
DIN No: 07876195

## FIBCORP POLYWEAVE PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31.03.2024

| Sr. No. | Particulars | Year ended 31.03.2024 | Year ended 31.03.2023 |
|---|---|---|---|
| A | **Cash Flow from Operating Activities** | | |
| | Net Profit before tax | 51.26 | 101.89 |
| | Adjustments for: | | |
| | Depreciation | 23.42 | 27.78 |
| | Interest and Financial Charges | 56.21 | 35.39 |
| | Interest and Dividend Received | - | |
| | Misc. Balance Written off | 0.10 | 3.20 |
| | Gratuity and leave encashment | 24.78 | 14.37 |
| | Foreign Exchange gain / loss | 13.00 | 41.02 |
| | Other Income | | |
| | (Profit)/Loss on sale of property, plant and equipment | | |
| | **Operating Profit before working capital changes** | 168.77 | 223.66 |
| | Adjustment for Changes in Working Capital: | | (400.61) |
| | Decrease/(Increase) in Trade Receivables | 412.12 | 33.94 |
| | Increase/(Decrease ) in other current liabilities and provision | (10.55) | (0.30) |
| | Increase /Decrease in Loan | (1.11) | 0.13 |
| | Increase/(Decrease) in Trade Payables | (149.02) | 39.38 |
| | Increase/(Decrease) in other assets | (20.39) | (22.90) |
| | Increase in tax assets | - | 1.62 |
| | Decrease/(Increase) in Stock | (186.26) | (271.42) |
| | **Cash Generated from Operations** | **213.56** | **(396.50)** |
| | Income Taxes Refund / (Paid) | 25.10 | 29.10 |
| | **Net Cash Inflow /(Out Flow) from Operation (A)** | **188.46** | **(425.60)** |
| B | **Cash Flow from Investing Activities:** | | |
| | Sale of Plant & Machinery | - | 7.73 |
| | Purchase of fixed assets | (9.46) | (10.64) |
| | Security deposit given | (0.17) | - |
| | Interest received | - | |
| | **Net Cash Inflow/(Outflow) from investing Activities (B)** | **(9.63)** | **(2.90)** |
| C | **Cash flow from Financing Activities** | | |
| | Net increase / (Decrease) in Short term borrowings | - | (14.04) |
| | Proceeds From shares issue | - | - |
| | Net increase / (Decrease) in Short term borrowings | (82.00) | 323.32 |
| | Other Income | (0.10) | 0 |
| | Interest Paid | (56.21) | (35.39) |
| | **Net Cash Inflow /(Out Flow) from Financing Activities (C)** | **(138.31)** | **273.89** |
| | **Net Increase/Decrease in cash & Cash equivalents (A+B+C)** | **40.52** | **(154.61)** |
| | **CASH AND CASH EQUIVALENTS** | | |
| | **As at the beginning of the year (Refer Note 9)** | | |
| | **Cash & Cash equivalents** | **11.31** | **61.63** |
| | **Cash Credit** | **241.48** | **137.19** |
| | **As at the end of the year (Refer Note 9)** | | |
| | Cash & Cash equivalents | 3.02 | 11.31 |
| | Cash Credit | 192.67 | 241.48 |
| | **Net Increase/Decrease in cash & Cash equivalents** | **40.52** | **(154.61)** |

As per our Audit report of even date attached.

Notes:-

1.The Cash Flow Statement has been prepared in accordance with the "Indirect Method" specified in the Ind-AS-7- "Statement of Cash Flows"

for and on behalf of
AJAY PALIWAL & CO.,
Chartered Accountants
FRN : 012345C

AJAY PALIWAL
Proprietor
M.No. 403290
Udaipur. APRIL 20,2024
UDIN: 24403290BKHGCT7614

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

for and on behalf of the Board

Murtaza Ali Moti
Director
DIN No: 07876224

Fatima Moti
Director
DIN No: 07876195

Notes to the Financial Statements

**1.Company Information**

Fibcorp Polyweave Private Limited (FPWPL) is a private limited Company domiciled in India and is incorporated under the provisions of the Companies Act,2013. FPWPL is engaged in the manufacture of PP woven Bags and sacks,with annual production capacity of 3600 MT . The manufacturing capacities are situated at Udaipur (Rajasthan). The PP Woven Bags and sacks find applications in the packing of cement, minerals, food grains etc.

**2. Significant Accounting Policies**

**Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

**Basis of Preparation**

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

**Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**Property, Plant and Equipment – Tangible Assets**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

The estimated useful lives of property, plant and equipment of the Company are as follows:

| | |
|---|---|
| Buildings | 30 Years |
| Plant and Equipment | 15 Years |
| Furniture and Fixtures | 10 Years |
| Vehicles | 10 Years |
| Office Equipment | 5 Years |

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

**Intangible Assets**

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant

b. for separately acquired assets, at cost comprising the purchase price (including import duties and nonrefundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licenses, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite. Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

All intangible assets are tested for impairment. Amortisation expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

**Impairment of Assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

**Inventories**

Inventories are stated at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

**Foreign Currency Transactions**

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

Exchange differences arising on monetary items that, in substance, form part of the Company's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in Foreign Currency Translation Reserve.

**Financial instruments, Financial assets, Financial liabilities and Equity instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

**Financial Assets**

**Recognition:**

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:**

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

**Impairment:**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**Reclassification**: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.



**De-recognition:** Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**Income Recognition:**

Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

**Financial Liabilities**

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

**Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**Equity Instruments**

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

**Revenue**

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. The company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership/control have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

**Government Grant**

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria. Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

(a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.

(b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.

(c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

**Employee Benefits**

i) Short-term Employee benefits Liabilities for wages and salaries including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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iii) Post-Employment Benefits Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Statement of Profit and Loss as they fall due.

Defined Benefit Plans

Gratuity Fund

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/ termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 or as per the Company's scheme whichever is more beneficial to the employees.

Provident Fund

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

iv) Other Long Term Employee Benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method

Re-measurements are recognised in profit or loss in the period in which they arise. Actuarial gains and losses in respect of such benefits are charged to Statement of Profit and Loss in the period in which they arise.

**Taxes on Income**

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

**Claims**

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

**Provisions**

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

**Financial and Management Information Systems**

The Company's Accounting System is designed to comply with the relevant provisions of the Companies Act, 2013, to provide financial information appropriate to the businesses and facilitate Internal Control.



**Use of estimates and judgements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**A. Judgements in applying accounting policies**

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement. Certain trademarks have been considered of having an indefinite useful life taking into account that there are no technical, technological or commercial risks of obsolescence or limitations under contract or law. Other trademarks have been amortized over their useful economic life. Refer notes to the financial statements.

**B. Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**1. Useful lives of property, plant and equipment and intangible assets:**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

**2. Fair value measurements and valuation processes:**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

**3. Actuarial Valuation:**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

**4. Claims, Provisions and Contingent Liabilities:**

In the case of litigations where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

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# FIBCORP POLYWEAVE PRIVATE LIMITED

For the Period ended on 31-03-2024

## NOTE NO. -3 PROPERTY

| Particulars | Office Building | Plant and Equipment | Furniture and fixtures | Vehicles | Office Equipments | Laboratory equipment | Electrical Installations and Equipment | Computer | Total |
|---|---|---|---|---|---|---|---|---|---|
| **For the period ended March. 2024** | | | | | | | | | |
| **GROSS CARRYING AMOUNT** | | | | | | | | | |
| Opening Gross Carying Amount | **8.51** | **90.37** | **24.08** | **4.69** | **12.47** | **3.00** | **31.12** | **10.30** | **184.54** |
| Additions | - | 0.67 | 2.25 | - | 4.75 | - | - | 1.79 | **9.46** |
| Disposals/Adjustment | - | - | - | - | - | - | - | - | - |
| **Closing Gross Carrying Amount** | **8.51** | **91.04** | **26.33** | **4.69** | **17.21** | **3.00** | **31.12** | **12.09** | **194.00** |
| **ACCUMULATED DEPRECIATION** | - | - | - | - | - | - | - | - | - |
| Opening Accumulated Depreciation | **1.40** | **43.19** | **13.00** | **2.67** | **3.86** | **2.33** | **15.04** | **8.57** | **90.05** |
| Depreciation charge during the Period | 0.68 | 8.56 | 3.17 | 0.52 | 4.52 | 0.17 | 4.17 | 1.64 | **23.42** |
| Disposals/Adjusments | - | - | - | - | - | - | - | - | - |
| **Closing Accumulated Depreciation** | 2.08 | 51.75 | 16.17 | 3.19 | 8.38 | 2.50 | 19.20 | 10.20 | 113.48 |
| **Net Carrying Amount** | **6.43** | **39.29** | **10.16** | **1.50** | **8.83** | **0.50** | **11.92** | **1.88** | **80.52** |
| | - | - | - | - | - | - | - | - | - |
| **For Year ended March,2023** | - | - | - | - | - | - | - | - | - |
| **GROSS CARRYING AMOUNT** | - | - | - | - | - | - | - | - | - |
| Opening Gross Carying Amount | **8.51** | **104.21** | **24.04** | **4.69** | **12.51** | **3.00** | **30.11** | **8.17** | **195.24** |
| Additions | - | - | 0.04 | - | 7.46 | - | 1.02 | 2.12 | **10.64** |
| Disposals/Adjustment | - | 13.84 | - | - | 7.50 | - | - | - | **21.34** |
| **Closing Gross Carrying Amount** | **8.51** | **90.37** | **24.08** | **4.69** | **12.47** | **3.00** | **31.12** | **10.30** | **184.54** |
| **ACCUMULATED DEPRECIATION** | - | - | - | - | - | - | - | - | - |
| Opening Accumulated Depreciation | **0.65** | **39.36** | **9.12** | **1.96** | **8.21** | **2.09** | **9.28** | **5.20** | **75.88** |
| Depreciation charge during the Period | 0.75 | 11.27 | 3.88 | 0.71 | 1.82 | 0.23 | 5.76 | 3.36 | **27.78** |
| Disposals/Adjusments | - | 7.44 | - | - | 6.17 | - | - | - | **13.61** |
| **Closing Accumulated Depreciation** | 1.40 | 43.19 | 13.00 | 2.67 | 3.86 | 2.33 | 15.04 | 8.57 | 90.05 |
| **Net Carrying Amount** | **7.11** | **47.18** | **11.08** | **2.02** | **8.60** | **0.67** | **16.09** | **1.73** | **94.48** |

Note :

(a) The Company has not revalued its Property, Plant and Equipment .

(b) The Company has not revlaued its intangible assets.

(c) The Company does not have capital work in progress.

(d ) There is no intangible assets under development.

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| Note 4 | Year Ended | Year Ended |
|---|---|---|
| OTHER NON- CURRENT FINANCIAL ASSETS | As at 31.03.2024 | As at 31.03.2023 |
| Security Deposits | 7.83 | 7.66 |
| | 7.83 | 7.66 |

Note 5

| DEFERRED TAX ASSETS | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| (a) Deferred tax Assets- Opening | 9.13 | 2.27 |
| Depreciation-Provision | (7.22) | 6.86 |
| Net amount charged to Statement of Profit and Loss | 1.91 | 9.13 |
| (b) 'MAT credit -Opening | 2.71 | 0.08 |
| Addition MAT credit | | 21.19 |
| 'MAT credit utilized | 2.71 | 18.55 |
| Net MAT Credit available | - | 2.71 |
| Total (a + b) | 1.91 | 11.84 |

Note 6

| INVENTORIES | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| At lower of cost and net realisable value | | |
| Raw material | 372.72 | 589.60 |
| Work-in -progress | 496.14 | 67.50 |
| Finished Goods | 62.80 | 100.27 |
| Wastage | 2.81 | 1.05 |
| Consumable Stores and Spares | 19.24 | 16.02 |
| | 953.70 | 767.44 |

Note 7

| TRADE RECEIVABLE | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| (a) Trade Receivables considered good- secured | - | - |
| (b) Trade Receivables considered good- unsecured | 141.94 | 557.13 |
| (c)Trade Receivables which have significant increase in Credit Risk | - | - |
| (d) Trade Receivables -Credit impaired | - | - |
| | 141.94 | 557.13 |
| Less: Allowance for doubtful receivables | - | - |
| | 141.94 | 557.13 |

**Trade receivables ageing schedule as on 31-03-2024**

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 6 Months | 6 months- 1 year | 1-2 years | More than 2 years | Total |
| (i) Undisputed Trade receivables – considered good | 105.29 | 0.84 | 35.82 | - | 141.94 |
| | - | - | - | - | -.00 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | -.00 |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | -.00 |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | -.00 |
| (v) Disputed Trade Receivables – credit impaired | - | - | - | - | -.00 |
| (vi) Disputed Trade Receivables- which have significant increase in credit risk | - | - | - | - | -.00 |
| Total | 105.29 | 0.84 | 35.82 | - | 141.94 |

**Trade receivables ageing schedule as on 31-03-2023**

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 6 Months | 6 months- 1 year | 1-2 years | More than 2 years | Total |
| (i) Undisputed Trade receivables – considered good | 491.11 | 66.02 | - | - | 557.13 |
| | - | - | - | - | -.00 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | -.00 |

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| | | | | | |
|---|---|---|---|---|---|
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | -.00 |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | -.00 |
| (v) Disputed Trade Receivables – credit impaired | - | - | - | - | -.00 |
| (vi) Disputed Trade Receivables- which have significant increase in credit risk | - | - | - | - | -.00 |
| **Total** | 491.11 | 66.02 | - | - | 557.13 |



Note 8

| CASH AND CASH EQUIVALENTS | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| (a) Balances with banks | | |
| On Current Account | 2.24 | 10.65 |
| (b) Cash on hand | 0.78 | 0.66 |
| | 3.02 | 11.31 |

Note 9

| LOANS (CURRENT) | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| (a) Loan Receivables considered good- secured | - | - |
| (b) Loan Receivables considered good- unsecured | 1.86 | 0.75 |
| (c) Loan Receivables which have significant increase in credit risk | - | - |
| (d) Trade Receivables- credit impaired | - | - |
| | 1.86 | 0.75 |
| Less: Allowance for doubtful loans | - | - |
| | 1.86 | 0.75 |

No Loans or advances granted to promoters, directors , KMPS and the related parties

Note 10

| CURRENT TAX ASSETS | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| TDS/TCS receivable * | - | 3.48 |
| | - | 3.48 |

* TDS /TCS credit has been set off with current tax payable

Note 11

| OTHER CURRENT ASSETS | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| **Advances other than capital advances :** | | |
| **Other advances :** | | |
| GST receivable | - | 30.67 |
| Advance to creditors | 6.19 | 9.60 |
| -prepaid expenses | 0.73 | 1.06 |
| -employees advances | 3.04 | 1.48 |
| Income Tax Refund | 0.09 | - |
| **Other Curent Assets :** | | - |
| MEIS Receivable | 31.05 | 31.05 |
| Other Assets | 53.65 | 0.50 |
| | 94.75 | 74.36 |

Note 12

| SHARE CAPITAL : | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| **Authorised* :** | | |
| P.Y. 72000 Equity Share of Rs.100/-each | 72.00 | 72.00 |
| C.Y. 72000 Equity Share of Rs.100/-each | 72.00 | 72.00 |
| Issued,subscribed and fully paid | | |
| 66430 Equity Share of Rs.100/-each (P.Y. 66430 Equity Share of Rs. 100 each) | 66.43 | 66.43 |
| | 66.43 | 66.43 |

| Reconciliation of number of shares : | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| Face value per share (Rs.) | 100 | 100 |
| Number of Equity Shares outstanding at the beginning of the reporting period | 66,430 | 66,430 |
| No. of Equity Shares issued during the year | - | - |
| | 66,430 | 66,430 |
| Less : Deduction during the year | - | - |
| Number of Equity Shares outstanding at the end of the reporting period | 66,430 | 66,430 |

| Name of the shareholders holding more than 5% shares in the company | | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|---|
| **Name of shareholder** | **Class** | **No. of shares** | **%** | **No. of shares** | **%** |
| Sah Polymers Limited | Equity | 33884 | 51.01 | 33884 | 51.01 |

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| | | | | | |
|---|---|---|---|---|---|
| Fatima Moti | Equity | 4500 | 6.77 | 4500 | 6.77 |
| Murtaza Moti | Equity | 28046 | 42.22 | 28046 | 42.22 |

* There is no changes in shareholding patterns since March 2024

| Shares held by promoters at the end of the period | | | % Change during the Period | |
|---|---|---|---|---|
| **Promoter name** | No.of shares | % of total shares | As at 31.03.2024 | As at 31.03.2023 |
| Sah Polymers Limited | 33884 | 51.01 | 0 | 51.01 |
| Total | **33884** | **51.01** | **0** | **51.01** |

| **Shares held by holding Company** | | **As at 31.03.2024** | | **As at 31.03.2023** | |
|---|---|---|---|---|---|
| Name of holding Company | Class | No.of shares | % Holding | No.of shares | % Holding |
| Sah Polymers Limited | Equity | 33884 | 51.01 | 33884 | 51.01 |

The Company has only one class of shares referred to as the equity shares having face value of Rs. 100/- each . Each holder of equity share is entitled to one vote per share. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by the Shareholders at the Annual General Meting.

The Company has not allotted any shares pursuant to contract without payment being received in cash.

There are no call unpaid on equity shares.

No shares have been reserved for issue on option.

No equity shares have been forfeited.



Note 13
OTHER EQUITY

| Particulars | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| 1.SEURITIES PREMIUM | | |
| As per the last year accounts | 380.91 | 380.91 |
| Add: Addition during the period | - | - |
| | 380.91 | 380.91 |
| 2. RETAINED EARNINGS | | |
| As per the last year accounts | 156.50 | 83.70 |
| Add: Surplus for the period | 26.16 | 72.79 |
| | 182.66 | 156.49 |
| TOTAL | 563.57 | 537.40 |

1. Share Premium :

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Act.

2.Retained Earnings:

This Reserve represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

Note 14

| BORROWINGS -CURRENT : | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| SECURED : | | |
| From banks : | | |
| (I) UCO Bank - CC | 192.67 | 241.48 |
| | 192.67 | 241.48 |
| UNSECURED : | | |
| From Other Than banks : | | |
| (I) Sah Polymer Ltd. | 263.00 | 345.00 |
| (Repable on demand) | 263.00 | 345.00 |
| | 455.67 | 586.48 |

(I) Borrowings from UCO Bank is a fund based cash credit facility and it issecured against all present and future-current assets and fixed assets inculuding immovable assets of the Company situated at G-1 202-203,IID center RIICO, kaladwas , Udaipur and E-260-261, Mewar Industrial Area Madri, Udaipur . The loan is repayable on demand. It is also secured by personal guarantee of directors Mr.Murtaza Ali Moti and corporate guarantee of Sah Polymers Ltd.

(V) Loan Taken from Holding Company @ 12% Interest p.a.

There is no continuing default in the payment of interest.

Note 15

| TRADE PAYABLES | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 135.74 | 259.98 |
| | 135.74 | 259.98 |

Trade payables ageing schedule as at 31-03-2024

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | More than 2 years | TOTAL |
| (i) Undisputed -Micro & small enterprises | 135.74 | - | - | - | 135.74 |
| (ii) Undisputed Others | | | - | - | - |
| (iii) Disputed dues – Micro & small enterprises | | | - | - | - |
| (iv) Disputed dues - Others | - | | | - | - |
| Total | 135.74 | - | - | - | 135.74 |

Trade payables ageing schedule as at 31-03-2023

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | More than 2 years | TOTAL |

| | | | | | |
|---|---|---|---|---|---|
| (i) Undisputed -Micro & small enterprises | - | - | - | - | - |
| (ii) Undisputed Others | 258.93 | - | - | - | 258.93 |
| (iii) Disputed dues – Micro & small enterprises | - | - | - | - | - |
| (iv) Disputed dues - Others | 0.40 | 0.65 | | - | - |
| Total | 259.33 | 0.65 | - | - | 259.98 |



Note 16

| OTHER CURENT LIABILITIES | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| Statutory Liabilities | 19.89 | 3.67 |
| Advance received from customers | 15.24 | 42.65 |
| Other Payable | - | 0.06 |
| | 35.13 | 46.38 |

Note 17

| PROVISIONS | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| Provisions for Leave encashment | 5.13 | 1.13 |
| Provisions for Gratuity | 19.65 | 13.24 |
| | 24.78 | 14.37 |

Note 18

| CURRENT TAX LIABILITIES | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| Income Tax Payable (Net of credit) | 4.22 | 13.93 |
| | 4.22 | 13.93 |

Note 19

| REVENUE FROM OPERATIONS | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| Sales | | |
| Products | | |
| Indigenoous | 1,065.69 | 1,848.31 |
| Export | 1,079.43 | 1,837.36 |
| | | - |
| Trade Goods | | - |
| Indigenoous | 532.94 | 96.28 |
| Export | 147.72 | 74.49 |
| | | - |
| Sale of Services | | - |
| Income from Jobwork | 498.29 | 112.82 |
| Income from Commission | - | - |
| | 3,324.07 | 3,969.25 |

Note 20

| OTHER INCOME | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| Income from Interest | 0.02 | - |
| Miscellenous Income | 0.46 | 0.32 |
| Foreign Exchange Fictuation | 13.00 | 41.02 |
| | 13.48 | 41.34 |

Note 21

| COST OF MATERIAL CONSUMED | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| Opening Stock | 583.65 | 402.51 |
| Add: Purchases + Expenses | 1,705.69 | 2,795.91 |
| | 2,289.34 | 3,198.42 |
| Less: Closing Stock | 375.53 | 583.65 |
| | 1,913.81 | 2,614.77 |

Note 22

| Purchases of Stock-in-Trade | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| Traded goods | 641.66 | 169.42 |
| | 641.66 | 169.42 |

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Note 23

| CHANGES IN INVENTORIES | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| **Opening Stock :** | | |
| Finished Goods | 100.27 | 84.15 |
| Work-in-progress | 67.50 | - |
| | 167.77 | 84.15 |
| **Less :Closing Stock :** | | |
| Finished Goods | 62.80 | 100.27 |
| Work-in-progress | 496.14 | 67.50 |
| | 558.94 | 167.77 |
| | (391.17) | (83.62) |

Note 24

| EMPLOYEE BENEFITS | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| (i) Salaries, wages and bonus | 247.57 | 111.58 |
| (ii) Contribution to provident and other funds | 5.86 | 4.78 |
| (iii) Gratuity | 6.41 | 13.24 |
| (iv) Leave encashment | 4.74 | 1.28 |
| (iii) Staff welfare expenses | 32.74 | 26.61 |
| | 297.33 | 157.48 |

Note 25

| FINANCE COSTS | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| (i) Interest on loan | 53.51 | 31.88 |
| (ii) Interest on TCS /TDS/Income Tax | 1.64 | 2.40 |
| (iii) Bank Laon Processing Charges | 1.05 | 1.10 |
| | 56.21 | 35.39 |

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Note 26

| OTHER EXPENSES | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| Job work charges | 155.81 | 300.29 |
| Store & Spares | 29.41 | 24.19 |
| Power & Fuel Expenses | 36.83 | 30.43 |
| Rent of Plant & Machinery | 14.84 | 10.12 |
| Packing Material | 37.10 | 25.58 |
| Repairs & Maintenance- Plant & Machinery | 13.76 | 8.11 |
| Bag Printing Expenses | 8.46 | 5.36 |
| Factory Expenses | 1.54 | 3.34 |
| Quality Control Expenses | 3.78 | 1.70 |
| Manufacturing expenses | 296.57 | 308.25 |
| Rent of Land & Building | 42.00 | 31.29 |
| Legal & Professional Fees | 7.68 | 6.23 |
| Conveyance Expenses | 3.41 | 5.24 |
| Insurance- Expenses | 1.80 | 1.68 |
| Payment to Auditors: | | - |
| (i) Statutory Audit | 0.13 | 0.13 |
| (ii) Tax Audit | 0.13 | 0.13 |
| Repair & Maintenance-Building & Others | 4.03 | 3.88 |
| Security & Safety Expenses | - | 0.01 |
| Printing & Stationery Expenses | 1.06 | 1.85 |
| Telephone & Internet | 0.67 | 0.65 |
| Software & License Fees | 1.15 | 0.14 |
| Postage & Courier Exp | 3.31 | 3.50 |
| Membership & Subscription | 0.29 | 0.36 |
| Other Administrative Expenses | 0.32 | 0.21 |
| Sundry Balance Written Off | 0.10 | 3.20 |
| Freight Charges | 42.79 | 146.20 |
| Clearing & Forwarding | 18.36 | 28.40 |
| Business promotion exp | 0.05 | 21.28 |
| Commission Expenses | 2.34 | 3.17 |
| Loading & Unloading Charges | 4.48 | 2.96 |
| Foreign Exchange Gain/loss | - | - |
| Other Selling & Distribution Expenses | 0.31 | 1.72 |
| Bank Charges | 6.98 | 3.12 |
| Vehicle Running & Maintenance Expenses | 1.90 | 1.27 |
| Travelling Expenses | 0.25 | 1.94 |
| Discount | 3.41 | 1.58 |
| | 745.04 | 987.48 |

Note 27

**Tax expense**

| | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| **Tax expenses recognised in the Statement of Profit and Loss** | | |
| **Current Tax :** | | |
| Current tax | 17.88 | |
| Deferred tax (Net) | 7.22 | (6.86) |
| Mat Credit Entitlement | - | |
| Total tax expenses | 25.10 | (6.86) |

Reconciliation of tax expenses and the accounting profit

The reconciliation between estimated income tax at statutory income tax rate into income tax expenses reported in Statement of Profit and Loss is given

| | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| Profit before income tax | 51.26 | 101.89 |
| Indian statutory income tax rate | 26.00% | 27.82% |
| Expected income tax expenses | 13.33 | 28.35 |
| **Tax effect of adjustment to reconcile expected income tax Expenses to reported Income tax Expenses** | | |
| Tax impact of income not subject to tax | | |
| Tax effects of amounts which are not deductible for taxable income | | |
| Tax impact due to 43B of the Income tax Act,1961 | 2.91 | 4.67 |
| MAT credit adjustments | (2.31) | (18.55) |
| Others | 1.65 | 2.94 |
| | 2.24 | (10.94) |
| Total income tax expenses | 15.57 | 17.41 |
| Effective rate of tax (%) | 30.37 | 17.09 |

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Note 28

Earnings per share

| | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| Earning per share has been computed as under | | |
| (a) Profit for the year | 26.16 | 72.79 |
| (b) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share | 66430.00 | 66430.00 |
| (c) Effect of potential Equity shares on conversion of outstanding share warrants | - | - |
| (d) Weighted average number of equity shares in computing diluted earnings per share [(b) + (c)] | 66430.00 | 66430.00 |
| (e) Earnings per share on profit for the year (Face Value Rs. 100.00 per share) | | |
| -Basic (a/b) | 39.38 | 109.58 |
| -Diluted (a/d) | 39.38 | 109.58 |

Note 29

Contingent liabilities and commitments :

There are no contingent liabilities or Commitments for the company as on 31.03.2024

Note 30

Financial Instruments and Related Disclosures :

1. Capital Management

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals, borrowings etc. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

2. Categories of financial Instruments

| Particulars | Note | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|---|
| | | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Financial assets | | | | | |
| Measured at amortised cost | | | | | |
| i) Cash and cash equivalent | 8 | 3.02 | 3.02 | 11.31 | 11.31 |
| ii) Trade receivables | 7 | 141.94 | 141.94 | 557.13 | 557.13 |
| iii) Other financial assets | 4,9 | 9.69 | 9.69 | 8.41 | 8.41 |
| Total Financial assets | | 154.66 | 154.66 | 576.85 | 576.85 |
| Financial Liabilities | | | | | |
| Measured at amortised cost | | | | | |
| i) Cash Credit facilities | 14 | 192.67 | 192.67 | 241.48 | 241.48 |
| ii)Borrowings | 14 | 263.00 | 263.00 | 586.48 | 586.48 |
| iii) Trade payables | 15 | 135.74 | 135.74 | 259.98 | 259.98 |
| iv) Other financial liabilities | 16-18 | 64.14 | 64.14 | 74.68 | 74.68 |
| Total financial liabilities | | 655.54 | 655.54 | 1,162.61 | 1,162.61 |

**3 : FINANCIAL RISK MANAGEMENT**

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company does regularly monitor ,analyze and manage the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

**A. MANAGEMENT OF MARKET RISK:**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings and investments . The Company has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

**(i) Management of interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks since its borrowings and investments are all in fixed rate instruments.

**(ii) Management of price risk:**

The Company has no surplus for investment in debt mutual funds, deposits etc. The Company does make deposit with the banks to provide security/margin against guarantee given by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from

**(iii) Management of currency risk:**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures etc.. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk(The Company has exposure only in USD/EURO/GBP converted to functional currency i.e.INR)

The currency profile of financial assets and financial liabilities as at 31-03-2024 are as below:

| Financial assets | Exposure currency | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|---|
| | | FC | Rs. | FC | Rs. |
| Trade receivables | USD | 74,458.79 | 62.15 | 152,157.60 | 124.09 |
| | EURO | - | | 416,196.95 | 361.52 |
| | GBP | - | | - | - |
| | | 74,458.79 | 62.15 | 568,354.55 | 48,560,811.79 |

| Financial Liability | Exposure currency | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|---|
| | | FC | Rs. | FC | Rs. |
| Trade Payable | USD | 1,892.58 | 1.56 | 39.00 | 0.03 |
| | EURO | | | 45,828.08 | 42.17 |
| | GBP | 11,696.08 | 12.17 | - | - |
| | | 13,588.66 | 13.73 | 45,867.08 | 42.20 |

A reasonably possible 5% strengthening (weakening) of the Indian Rupee against USD/EURO /GBP at the end of the period would have affected the measurement of financial instruments denominated in USD/EURO/GBP and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

| FC | As at | Strengthening FC | Weakening FC |
|---|---|---|---|

| | | | | |
|---|---|---|---|---|
| Profit/(Loss) | USD | 31.03.2024 | 3,628.31 | 3,628.31 |
| | EURO | 31.03.2024 | - | - |
| | GBP | 31.03.2024 | 584.80 | 584.80 |
| | USD | 31.03.2023 | 7,605.93 | 7,605.93 |
| | GBP | 31.03.2023 | 2,291.40 | 2,291.40 |
| | EURO | 31.03.2023 | 20,809.85 | 20,809.85 |



B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

C. MANAGEMENT OF LIQUIDITY RISK:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

D. Fair value measurement

**Fair value hierarchy**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

| Particulars | Fair value hierarchy | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|---|
| | | Fair Value | Fair Value |
| Financial assets | | | |
| Measured at amortised cost | | | |
| i) Cash and cash equivalent | L2 | 3.02 | 11.31 |
| ii) Other Bank balance | L2 | - | - |
| v) Trade receivables | L2 | 141.94 | 557.13 |
| vi) Other financial assets | L2 | 9.69 | 8.41 |
| Total Financial assets | | 154.66 | 576.85 |
| | | | |
| Financial Liabilities | | | |
| Measured at amortised cost | | | |
| i) Cash Credit facilities | L2 | 192.67 | 241.48 |
| ii)Term loans | L2 | - | - |
| iii) Trade payables | L2 | 135.74 | 259.98 |
| iv) Other financial liabilities | L2 | 64.14 | 74.68 |
| | | - | - |
| Total financial liabilities | | 392.54 | 576.14 |

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**Note 31**

Disclosures in respect of related parties pursuant to Ind AS 24

During the year following transactions were carried out with the related pa[illegible] the ordinary course of business at arm's length price

| Name of related party | | Nature of relation | For the year ended 31.03.2024 | For the year ended 31.03.2023 | Nature of transaction |
|---|---|---|---|---|---|
| Sah Polymers Limited | | Holding Company | 57.24 | 71.53 | Job work Exp. |
| | | | 23.24 | 10.12 | Lease rent Paid |
| | | | 1,250.56 | 1,358.42 | Sales |
| | | | 1,123.18 | 1,235.75 | Purchase |
| | | | - | 6.40 | sales of P&M |
| | | | 312.00 | 345.00 | Loan Taken |
| | | | 394.00 | - | Loan repaid |
| | | | 27.10 | 4.27 | Interest Paid on loan |
| SAT Industries Ltd | | Parent Holding Company | 30.00 | 240.00 | Unsecured loan Taken |
| | | | 30.00 | 240.00 | Repayment of unsecured loan |
| | | | 0.03 | 7.81 | Interest on unsecured loan |
| Salary | | Key Management Personnel | 12.00 | 16.46 | Salary |
| Fatima Moti | | Key Management Personnel | - | 6.00 | Repayment of unsecured loan |
| Fatima Moti | | Key Management Personnel | - | 0.03 | Interest on unsecured loan |

AJAY PANIWAL & CO. UDAIPUR Chartered Accountants

| | | | | | |
|---|---|---|---|---|---|
| Fatima Moti | | Key Management Personnel | - | 6.00 | Unsecured loan Taken |
| Murtaza Ali Moti | | Key Management Personnel | - | 5.00 | Unsecured loan Taken |
| Murtaza Ali Moti | | Key Management Personnel | - | 5.00 | Repayment of unsecured loan |

| Closing balances | | |
|---|---|---|
| Name | As at 31/03/2024 | As at 31/03/2023 |
| Sah Polymers Limited | 2.63 Cr | 441.22 Cr |

No amount in respect of the related parties have been written off/back are provided for during the period
Related party relationship has been identified by the Management and relied upon by the auditors.

**Note 32**

**EMPLOYEE BENEFITS**

**a) DEFINED CONTRIBUTION PLAN**

Provident Fund:

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

**b) DEFINED BENEFIT PLAN**

Gratuity:

The Company offers its employees defined benefit Plans in the form of a Gratuity Scheme. Benefits under the defined benefit plan is typically based either on years of service and the employee's compensation (generally immediately before retirement). The Gratuity scheme covers substantially all regular employees. The Company contributes funds to Life Insurance Corporation of India, which is irrevocable. Commitments are actuarially determined at year end. The actuarial valuation is done based on ""Projected Unit Credit" "method. Gains & Losses of changed actuarial assumptions are charged to the profit and loss account. The obligations for leave Encashment is recognised in the same manner as gratuity. "

**Provident Fund:**

The Company makes Provident Fund contribution to the Government administered Provident fund. The Company has no part to play in this respect.

**c) Amounts Recognised as Expense:**

**i) Defined Contribution Plan**

Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to Rs. 4.14 Lacs (as on 31-03-24), Rs. 3.20 lacs (as on 31-03-23) has been included under Contribution to Provident and Other Funds.

**ii) Defined Benefit Plan**

Gratuity amount has been included in Note 25 under

Deferred Tax Assets /Liability

| | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| **Provisions** | 1.91 | 9.13 |
| Others | | - |
| Total Deferred Tax Assets /Liability | 1.91 | 9.13 |
| Net Deferred tax (Liabilities)/Assets | 1.91 | 9.13 |

**Movement in Deferred tax Liabilities /Assets**

| | Deferred Tax Liabilities/Asset (Net) |
|---|---|
| As at 31st March, 2021 | 2.27 |
| (Charged)/Credited to profit and Loss account | - |
| As at 31st March, 2022 | 2.27 |
| (Charged)/Credited to profit and Loss account | 6.86 |
| As at 31st March, 2023 | 9.13 |
| (Charged)/Credited to profit and Loss account | (7.22) |
| As at 31st March, 2024 | 1.91 |

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Note 33

here are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due to further interest due and payable in the succeeding years. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

| **Information relating to the Micro, Small and Medium Enterprises** | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| (a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;<br>(i) Principal amount<br>(ii) Interest | - | - |
| (b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| (c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |
| (d) The amount of interest accrued and remaining unpaid at the end of each accounting year; | - | - |
| (e) The amount of interest accrued and remaining unpaid at the end of each accounting year; | - | - |

Note 34

SEGMENT INFORMATION

The Company operates in one primary business segment viz. Manufacturing of PP Woven Bags & Sacks.

Secondary :

| GEOGRAPHICAL INFORMATION | March 31,2024 | March 31,2023 |
|---|---|---|
| Non Current Assets – Within India | 90.26 | 113.99 |
| – Outside India | - | - |
| Revenue from external customers – Within India | 2,096.91 | 2,057.40 |
| – Outside India | 1,227.16 | 1,911.85 |

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**Note 35**

The Company has elected not apply the Indian Accounting Standard (Ind AS) 116- Leases to account for those leases where underlying assets is of low value.

**Note 36**

Balances of banks, sundry debtors and trade payables , current liabilities etc. as on 31.03.2024 are subject to confirmation and reconciliation.

**Note 37**

In the opinion of the Management ,there is no impairment of assets in accordance with the Ind AS -36 as on the Balance Sheet date.

**Note 38**

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

**Note 39**

In the opinion of the Management ,there is no impairment of assets in accordance with the Ind AS -36 as on the Balance Sheet date.

**Note 40**

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

**Note 41**

The financial statements were authorised for issue by the Board of Directors on

**Note 42**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimal thereof as per the requirements of Schedule III to the Companies Act,2013, unless otherwise stated.

**Note 43**

Previous year's figures have been reclassified/regrouped wherever necessary to conform with the current Financial Statements.

**Note 44**

No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions ( Prohibition) Act,1988 and rules made thereunder.

**Note 45**

The Company is not a declared willful defaulter by any bank or financial institution or other lender.

**Note 46**

**Note 47**

There is no charges or satisfaction yet to be registered with ROC beyond the statutory period.

**Note 48**

The Company has no subsidiary , therefore ,compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act,2013 read with the Companies (Restriction on number of Layers) Rules,2017, is not applicable.

**Note 49**

Ratios

| | Ratio | | | |
|---|---|---|---|---|
| Particulars | For the year ended 31.03.2024 | For the year ended 31.03.2023 | Explantion* | |
| (a) Current ratio | 1.82 | 1.53 | cahnges in CA & decrease in CL | |
| (b) Debt equity ratio | 0.72 | 0.97 | cahnges in borrowing & equity | |
| (c) Return on Equity Ratio | 0.39 | 1.10 | cahnges in turnover | |
| (d) Inventory turnover ratio | 3.49 | 5.17 | changes in turnover | |
| (e) Trade Receivables turnover ratio | 0.04 | 0.14 | cahnges in debtors/turnover | |
| (f) Trade payables turnover ratio | 0.04 | 0.07 | cahnges in liabilty & Turnover | |
| (g) Net capital turnover ratio | 6.16 | 8.10 | cahnges turnover | |
| (h) Net profit ratio | 0.79 | 1.83 | cahnges in turnover | |
| (i) Return on Capital employed | 0.08 | 0.17 | changes in turnover & margin | |
| (j) Return on investment | 0.77 | 1.53 | cahnges in turnover & margin | |

* Explanation for any change in ratio by more than 25% as compared to previous year.

**Note 50**

No Scheme of Arrangement has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act,2013.

**Note 51**

Utilisation of Borrowed funds and share premium :

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

(a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding ( whether recorded in writing or otherwise) the the Intermediary (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company(ultimate Beneficiaries ) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Company has not received any fund from any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate Beneficiaries ) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**Note 52**

There is no transaction recorded in the books of account that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act,1961. Further there is no previously unrecorded income and related assets requiring recording in the books of account during the period.

**Note 53**

The Company is not covered under section 135 of the Companies Act, 2013.

**Note 54**

The Company has not traded or invested in Crypto currency or Virtual Currency during the period.

for and on behalf of
AJAY PALIWAL & CO.,
Chartered Accountants
FRN : 12345C

AJAY PALIWAL
Proprietor
M.No. 403290
Udaipur. APRIL 20,2024
UDIN: 24403290BKHGCT7614

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

for and on behalf of the Board

Murtaza Ali Moti
Director
DIN No: 07876224

Fatima Moti
Director
DIN No: 07876195

## INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

**To the Members of Sah Polymers Limited**

### Opinion

We have audited the standalone financial statements of Sah Polymers Limited ("the Company"), which comprise the balance sheet as at 31st March 2024, and the statement of Profit and Loss, Statement of changes in equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report

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along with its Annexures and Financial Highlights included in the Company's Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Responsibility of Management for Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are

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based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements**

(i)As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, in terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we give in the Annexure – "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(ii) As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to the financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i)The Company does not have any pending litigations which would impact its financial position.

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate

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Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

(v) The final dividend proposed in the previous year, declared and paid during the year is in accordance with section 123 of the Act, as applicable.

(vi) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

**For H R JAIN & CO.,**
Chartered Accountants
Firm's Registration No. 000262C

Manoj Jain
Partner
Place of signature: Udaipur
Membership No.: 400459
Date: May 03, 2024
ICAI UDIN: 24400459BKEMVH2788

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**Annexure - A to the Independent Auditor's Report (Referred to in paragraph (i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and the situation of property, plant and equipment.

(B) The Company has maintained proper records showing full particulars Intangible Assets.

(b) These property, plant and equipment were physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer; specifying the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statement does not arise.

(ii) (a) The physical verification of inventory (excluding stocks with third parties) have been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with the third parties, these have substantially been confirmed by the third parties. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the Company with such bank or financial institutions are in agreement with the books of account of the Company.

(iii) During the year the Company has neither made investment nor provided any security but has, however, provided guarantee and unsecured loans and advances in the nature of loans, to companies, firms, Limited Liability Partnerships or any other parties:

(a) During the year the company has provided loans or provided advances in the nature of loans and stood guarantee but has not provided security to any other entity

(A) & (B) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees to:

(Rs. in lakhs )

| | Aggregate amount for the financial year 2023-2024 | | Balance outstanding as at 31/03/2024 | |
|---|---|---|---|---|
| | Loan | Guarantee | Loan | Guarantee |
| Subsidiaries, joint ventures and associates | 263.00 | 300.00 | 263.00 | 300.00 |
| Other than subsidiaries, joint ventures and associates | 744.05 | - | 745.39 | - |

(b) the Company has neither made investment nor given security. Further the terms and conditions of the grant of all loans and advances in the nature of loans and guarantee provided are not prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans, no schedule of repayment of principal and payment of interest has been stipulated.

(d) In respect of the aforesaid loans, there is no amount overdue for more than ninety days.

(e) During the year no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) During the year the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 are as under;

| Aggregate amount (Rs. In lakhs) | % of the total loans granted | Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 ( Rs. In lakhs) |
|---|---|---|
| 1007.05 | 99.87 | 263.00 |

(iv) In our opinion and according to the information and explanations given to us the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of loans granted, investments made, guarantees, and security provided;

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and accordingly the question of complying with Sections 73 and 76 of the Companies Act, 2013 does not arise. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 74 and 75 or any other relevant provisions of the Companies Act, 2013. According to the information and explanations given to us, no Order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal on the Company.

(vi) The maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of products of the Company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Goods and Services

Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities, except the following as on 31.03.2024 for a period of more than six month from the date they become payable is as under ;

| Name of statutes | Nature of dues | Amount Rs. In lakhs | The period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|
| Income Tax Act,1961 | Income tax demand | 0.49 (Net of deposit) | FY 2020-21 | |

(b) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, there are no statutory dues referred to in sub-clause (a) have not been deposited as on 31st March, 2024 on account of disputes.

(viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), that has not been recorded in the books of account.

(ix) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted on repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedure performed by us, and on an overall examination of the financial statements of the

Company, we report that no funds raised on short term basis have been utilised for long term purposes by the Company.

(e) According to the information and explanations given to us, and the procedure performed by us, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, and the procedure performed by us, we report that the company has not raised loans during the year on the pledged of securities held in its subsidiaries, joint venture, or associate companies.

(x) (a) During the financial year 2022-2023, the Company raised Rs. 6630 lakhs by way of the initial public offer. In our opinion and according to the information and explanations given to us, the amount utilised out of the un-utilised amount during the year is for the purposes for which they were raised, details thereof are as under :

(₹. in lakhs)

| Nature of the fund raised | Purpose for which funds were raised | opening un- utilized balance | Amount utilized for the purpose during the year | Unutilized balance as at Balance sheet date | Remark |
|---|---|---|---|---|---|
| Initial Public Offer | Setting up of a new manufacturing facility to manufacture new variant of Flexible Intermediate Bulk Containers (FIBC) | 405.02 | 0 | 405.02 | Project is over. |
| | General corporate purposes | 1250.47 | 579.32 | 671.15 | |
| | Issue related expenses | 10.01 | 0 | 10.01 | No amount is outstanding. |

We further report that the pending utilisation, the Company has temporarily invested the unutilised amount as on March 31,2024, in fixed deposits with the scheduled commercial bank.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible). Accordingly, reporting under clause 3(xx) (b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, a report under section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, was not required to be filed with the Central Government. Accordingly, reporting under clause 3(xi) (b)of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us and as represented by the Management, the Company has received no whistle - blower complaints during the year. Accordingly, reporting under clause 3(xi) (c)of the Order is not applicable to the Company.

(xii) (a) As the Company is not a Nidhi company, therefore, the clauses (xii)(a), (b) and (c) of the Order are not applicable to the Company.

(xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act and the details have been disclosed in the financial statements, etc., as required by the Indian Accounting Standard 24 "Related Party Disclosures" specified under section 133 of the Act.

(xiv) (a) In our opinion and According to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

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(b) The reports of the Internal Auditors for the period under audit were considered by us.

(xv) The company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the reporting under clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) In our opinion and according to the information and explanation given to us the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934);

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934; Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, Accordingly, the reporting under clause 3(xv)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the Management of the Company, the Group does not have any CIC, which is part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xv)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, the reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanation given to us and on the basis of the financial ratios (also refer Note 58 to the financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumption ,nothing has come to our attention , which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state our

reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 63 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For H R JAIN & CO.,**
Chartered Accountants
Firm's Registration No.: 000262C

Manoj Jain
Partner
Place of signature: Udaipur
Membership No.: 400459
Date: May 03, 2024
ICAI UDIN: 24400459BKEMVH2788

**Annexure - B to the Independent Auditor's Report on the Internal Financial Controls with reference to financial statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **SAH POLYMERS LIMITED** ("the Company") as of 31st March, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.




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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to (Referred to in paragraph (ii) (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even

date) the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For H R JAIN & CO.,**
Chartered Accountants
Firm's Registration No. 000262C




Manoj Jain
Partner
Place of signature: Udaipur
Membership No.: 400459
Date: May 03, 2024
ICAI UDIN: 24400459BKEMVH2788

SAH POLYMERS LIMITED

BALANCE SHEET

(₹ in lakhs)

| Particulars | Note | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| (1) Non-current assets | | | | | |
| (a) Property, Plant and Equipment | 3 | | 4,722.95 | | 4,314.32 |
| (b) Capital work-in-Progress | 3 | | 52.04 | | 92.97 |
| (c) Investment Property | | | | | - |
| (d) Goodwill | | | - | | - |
| (e) Other Intangible Assets | 3 | | 1.59 | | 0.52 |
| (f) Intangible assets under development | | | | | |
| (g) Biological Assets other than bearer plants | | | | | |
| (h) Financial Assets | | | | | |
| (i) Investments | 4 | 560.78 | | 560.78 | |
| (ii) Trade receivables | | - | | - | |
| (iii) Loans | 5 | 1.34 | | 1.97 | |
| (iv) Others | 6 | 227.11 | 789.23 | 201.57 | 764.32 |
| (i) Deferred tax assets (net) | | - | | - | |
| (j) Other non-current assets | 7 | | 5.68 | | 5.68 |
| (2) Current assets | | | | | |
| (a) Inventories | 8 | | 2,036.57 | | 1,783.92 |
| (b) Financial Assets | | | | | |
| (i) Investments | | | | | |
| (ii) Trade receivables | 9 | 2,061.28 | | 1,057.29 | |
| (iii) Cash and cash equivalents | 10 | 725.57 | | 1,050.04 | |
| (iv) Bank balances other than (iii) above | 11 | 540.68 | | 1,013.80 | |
| (v) Loans | 12 | 1,007.03 | | 1,184.98 | |
| (vi) Others | 13 | 5.24 | 4,339.82 | 6.96 | 4,313.02 |
| (c) Current Tax Assets (Net) | 14 | | 13.28 | | - |
| (d) Other current assets | 15 | | 423.17 | | 408.37 |
| **Total Assets** | | | 12,384.33 | | 11,703.12 |
| **EQUITY** | | | | | |
| (a) Equity Share Capital | 16 | 2,579.60 | | 2,579.60 | |
| (b) Other Equity | 17 | 5,752.42 | 8,332.02 | 5,830.09 | 8,409.69 |
| **LIABILITIES** | | | | | |
| (1) Non-current liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | 18 | 713.00 | | 845.58 | |
| (ia) Lease liabilities | | | | | |
| (ii) Trade payables | | - | | - | |
| (iii) Other financial liabilities(other than those specified in item (b) ) | | - | 713.00 | - | 845.58 |
| (b) Provisions | | | - | | - |
| (c) Deferred tax liabilities (Net) | 19 | | 183.42 | | 179.69 |
| (d) Other non-current liabilities | | | - | | - |
| (2) Current liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | 20 | 2,155.52 | | 1,417.73 | |
| (ia) Lease liabilities | | | | | |
| (ii) Trade payables | 21 | | | | |
| (A)Total outstanding dues of micro enterprises and small enterprises | | - | | - | |
| (B)Total outstanding dues of creditors other than micro enterprises and small enterprises | | 716.65 | | 553.09 | |
| (iii) Other financial liabilities(other than those specified in item(c) | 22 | 2.69 | 2,902.86 | 2.10 | 1,972.92 |
| (d) Other current liabilities | 23 | | 244.01 | | 241.06 |
| (e) Provisions | 24 | | 9.02 | | 0.44 |
| (f) Current Tax Liabilities (Net) | 25 | | - | | 53.74 |
| **Total Equity and Liabilities** | | | 12,384.33 | | 11,703.12 |
| See accompanying notes to the financial statements | 1 to 75 | | - | | - |

As per our Audit report of even date attached

for and on behalf of
H.R. JAIN & CO.,
Chartered Accountants
FRN : 000262C

Manoj Jain
Partner
M.No. 400459
Udaipur, May 3 ,2024

UDIN: 24400459BKEMVH2788

for and on behalf of the Board

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

LALIT KUMAR BOLIA
Chief Financial Officer

MURTAZA ALI MOTI
Wholetime Director
DIN : 07876224

RUNEL SAXENA
Company Secretary
M.No.A28022

## SAH POLYMERS LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2024

(₹.in lakhs)

| | Particulars | Note | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|---|---|
| | | | Amount in Rupees | | Amount in Rupees | |
| | **Income :** | | | | | |
| I | Revenue from operations | 26 | | 10,076.10 | | 8,245.46 |
| II | Other income | 27 | | 219.34 | | 140.36 |
| III | Total Income (I+II) | | | 10,295.44 | | 8,385.82 |
| IV. | Expenses : | | | | | |
| | Cost of Materials consumed | 28 | | 5,773.77 | | 4,223.58 |
| | Purchases of Stock-in-Trade | 29 | | 684.81 | | 1,819.35 |
| | Changes in inventories of finished goods work-in-progress and Stock -in-Trade | 30 | | (174.46) | | (503.66) |
| | Employee benefits expense | 31 | | 469.25 | | 286.19 |
| | Finance costs | 32 | | 296.76 | | 190.94 |
| | Depreciation and amortization expense | 3 | | 215.44 | | 112.55 |
| | Other expenses | 33 | | 2,965.69 | | 1,846.27 |
| | Total expenses | | | 10,211.26 | | 7,975.22 |
| V. | Profit before exceptional items and tax(III-IV) | | | 84.18 | | 410.60 |
| VI. | Exceptional items | | | - | | - |
| VII | Profit/(loss) before tax (V-VI) | | | 84.18 | | 410.60 |
| VIII | Tax expense : | | | | | |
| | (a) Current tax | | 14.10 | | 70.39 | |
| | Less: MAT credit entitlement | | 14.10 | | 50.82 | |
| | (b)Short/excess provisions of earlier years | | - | | 0.36 | |
| | | | - | | 19.93 | |
| | (2) Deferred tax | | 17.83 | 17.83 | 85.03 | 104.96 |
| IX | Profit(loss)for the period from continuing operation (VII-VIII) | | | 66.35 | | 305.64 |
| X | Profit/(Loss) from discontinued operations | | | - | | - |
| XI | Tax expense of discontinued operations | | | - | | - |
| XII | Profit/(loss) from discontinued operation (X-XI) | | | - | | - |
| XIII | Profit(loss) for the period (IX+XII) | | | 66.35 | | 305.64 |
| XIV | Other Comprehensive Income | | | | | |
| | A(i) Item that will not be reclassified to profit or loss | | - | | - | |
| | (ii) Income tax relating to item that will not be reclassified to profit or loss | | - | | - | |
| | B(i) Item that will be reclassified to profit or loss | | - | | - | |
| XV | (ii) Income tax relating to item that will be reclassified to profit or loss | | - | - | - | - |
| XVI | Total Comprehensive Income for the period (XIII+XIV) ( Comprising profit (loss) and other Comprehensive Income for the period.) | | | 66.35 | | 305.64 |
| XVII | Earnings per equity share:(for continued Operation): | | | | | |
| | (1) Basic | 31 | | 0.26 | | 1.71 |
| | (2) Diluted | 31 | | 0.26 | | 1.71 |
| XVII | Earnings per equity share:(for discontinued Operation): | | | | | |
| | (1) Basic | | | - | | - |
| | (2) Diluted | | | - | | - |
| XVIII | Earnings per equity share:(for discontinued & continuing operations) | | | | | |
| | (1) Basic | 31 | | 0.26 | | 1.71 |
| | (2) Diluted | 31 | | 0.26 | | 1.71 |

See accompanying notes to the financial statements 1 to 75

As per our Audit report of even date attached.

for and on behalf of
H.R. JAIN & CO.,
Chartered Accountants
FRN : 000262C

Manoj Jain
Partner
M.No. 406459
Udaipur, May 3,2024
UDIN: 24406459BKEMVH2788

H.R. JAIN & CO. CHARTERED ACCOUNTANTS

for and on behalf of the Board

HARIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

LALIT KUMAR BOLIA
Chief Financial Officer

MURTAZA ALI MOTI
Wholetime Director
DIN : 07876224

RUNEL SAXENA
Company Secretary
M.No.A28022

SAH POLYMERS LIMITED
CASH FLOW STATEMENT FOR THE (₹ in lakhs)

| Sr. No. | Particulars | Year ended 31.03.2024 | Year ended 31.03.2023 |
|---|---|---|---|
| A | **Cash Flow from Operating Activities** | | |
| | Net Profit before tax | 84.16 | 410.60 |
| | Adjustments for: | | |
| | Depreciation | 215.44 | 172.35 |
| | Interest Paid | 284.43 | 175.60 |
| | Interest received | (122.05) | (31.75) |
| | Unrealised foreign exchange fluctuation on conversion | (29.57) | (11.87) |
| | (Profit)/Loss on sale of property, plant and equipment | (0.21) | - |
| | Provision for gratuity and leave encashment | 8.58 | 0.44 |
| | **Operating Profit before working capital changes** | **440.80** | **655.57** |
| | Adjustment for Changes in Working Capital | | |
| | Decrease/(Increase) in Trade Receivables | (974.47) | 172.46 |
| | Increase/(decrease ) in other current liabilities and provision | 2.95 | 122.75 |
| | Increase in financial liabilities | 0.59 | (0.36) |
| | Decrease(Increase) in Loan | 177.93 | (502.61) |
| | Decrease in other current financial assets | 1.71 | 5.31 |
| | Other bank Balances | 473.12 | (1,030.77) |
| | Increase/(Decrease) in Trade Payables | 193.55 | (25.87) |
| | Increase in other non current assets | - | 142.12 |
| | Non Current Financial assets | (24.91) | (65.86) |
| | Increase in other current assets | (14.80) | (252.70) |
| | Increase in tax assets | (13.28) | 1.79 |
| | Decrease/(Increase) in Stock | (252.65) | (720.60) |
| | **Cash Generated from Operations** | 10.54 | (1,498.77) |
| | Income Taxes Refund / (Paid) | 67.84 | 113.34 |
| | **Net Cash Inflow /(Out Flow) from Operation (A)** | **(57.30)** | **(1,612.11)** |
| B | **Cash Flow from Investing Activities:** | | |
| | Sale of Property, Plant and Equipment | 4.43 | - |
| | Purchase of Property, Plant and Equipment and Capital -work-in-progress | (568.43) | (2,431.85) |
| | Interest received | 122.05 | 31.75 |
| | **Net Cash Inflow/(Outflow) from investing Activities (B)** | **(441.95)** | **(2,400.10)** |
| C | **Cash flow from Financing Activities** | | |
| | Repayment of borrowings | (7,532.85) | (1,735.71) |
| | Share Capital | - | 6,620.00 |
| | Increase in borrowing | 7,439.75 | 927.97 |
| | Capital issue expenses | - | (912.69) |
| | Amalgamation Exp | (13.04) | - |
| | Dividend paid | (128.98) | - |
| | Interest Paid | (284.43) | (175.60) |
| | **Net Cash Inflow /(Out Flow) from Financing Activities (C)** | **(521.55)** | **4,733.97** |
| | **Net Increase/Decrease in cash & Cash equivalents (A+B+C)** | **(1,020.80)** | **721.76** |
| | **CASH AND CASH EQUIVALENTS** | | |
| | **As at the beginning of the year (Refer Note 10)** | **1,050.04** | **128.15** |
| | **Cash and cash equivalent of amalgamating Company** | - | - |
| | **Less : Cash Credit** | **882.11** | **681.98** |
| | **As at the end of the year (Refer Note10)** | **725.57** | **1,050.04** |
| | **Less : Cash Credit** | **1,578.44** | **882.11** |
| | **Net Increase/Decrease in cash & Cash equivalents** | **(1,020.80)** | **721.76** |

| | Year ended 31.03.2024 | Year ended 31.03.2023 |
|---|---|---|
| I. Cash and cash equivalents as per above comprise of the following: | | |
| Cash on hand | 3.09 | 4.91 |
| Balances with scheduled banks: | | |
| -On current accounts | 167.40 | 34.89 |
| -On deposit accounts | 555.08 | 1,010.24 |
| (deposits having an original maturity of 3 months or less ) | | |
| Cash and cash equivalent as per note | 725.57 | 1,050.04 |

II. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013.

The notes 1 to 75orm an integral part of the financial statements.
This is the Statement of Cash Flows referred to in our report of even date.

for and on behalf of
H.R. JAIN & CO.,
Chartered Accountants
FRN : 000262C

Manoj Jain
Partner
M.No. 400459
Udaipur, May 3 ,2024

H.R. JAIN & CO. CHARTERED ACCOUNTANTS

for and on behalf of the Board

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00110156

MURTAZA ALI MOTI
Wholetime Director
DIN : 07876224

RUNEL SAXENA
Company Secretary
M.No.A28022

LALIT KUMAR BOLIA
Chief Financial Officer

Notes to the Financial Statements

**1.Company Information**

a) Sah Polymers Limited (the Company), is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India viz; BSE Limited and National Stock Exchange Limited . The registered office of the Company is located at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003.

b)The Company is primarily engaged in the manufacture of Flexible Intermediate Bulk Containers (FIBC) and other flexible packaging with annual production capacity of 7920 MT . The manufacturing capacities are situated at and around Udaipur (Rajasthan). The FIBC and other flexible packaging find applications in the packing of cement, minerals, food grains etc.

**2. Significant Accounting Policies**

**Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

**Basis of Preparation**

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 17 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

**Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**Property, Plant and Equipment – Tangible Assets**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any.

All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

Assets in the course of construction are capitalised in the assets under capital work in progress account (CWIP). At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized. Revenue generated from production during the trial period is capitalised.

• Freehold land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

| | |
|---|---|
| Buildings | 30 Years |
| Plant and Equipment | 25 Years |
| Furniture and Fixtures | 10 Years |
| Vehicles | 8 Years |
| Office Equipment | 5 Years |

No write off is made in respect of leasehold land.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

**Intangible Assets**

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant

b. for separately acquired assets, at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licenses, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite. Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

The estimated useful lives of intangible assets of the Company is : 5 years

**Impairment of Assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

**Inventories**

Inventories (other than harvested product of biological assets) are stated at cost and net realisable value, whichever is lower. Cost is determined on periodic moving weighted average basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to effect the sale.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

Due allowances are made for slow / non-moving, defective and obsolete inventories based on estimates made by the Company.

Items such as spare parts, stand-by equipment and servicing equipment that are not plant and machinery get classified as inventory.

**Foreign Currency Transactions**

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

Exchange differences arising on monetary items that, in substance, form part of the Company's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in Foreign Currency Translation Reserve.

**Investment in Subsidiary**

Investment in subsidiary is carried at cost less accumulated impairment, if any.

**Financial instruments, Financial assets, Financial liabilities and Equity instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

**Financial Assets**

**Recognition:**

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:**

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent Financial assets are classified as those measured at:

(a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

**Impairment:**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**Reclassification**: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

**De-recognition:** Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**Income Recognition:**

Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

**Financial Liabilities**

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

**Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**Equity Instruments**

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

**Revenue**

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods includes duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as goods and service tax .

Revenue from the sale of goods is recognised when significant risks and rewards of ownership/control have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

**Government Grant**

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

(a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.

(b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.

(c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

**Financial and Management Information Systems**

The Company's Accounting System is designed to comply with the relevant provisions of the Companies Act, 2013, to provide financial information appropriate to the businesses and facilitate Internal Control

**Use of estimates and judgements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**A. Judgements in applying accounting policies**

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement. Certain trademarks have been considered of having an indefinite useful life taking into account that there are no technical, technological or commercial risks of obsolescence or limitations under contract or law. Other trademarks have been amortized over their useful economic life. Refer notes to the financial statements.

**B. Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**1. Useful lives of property, plant and equipment and intangible assets:**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

**2. Fair value measurements and valuation processes:**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

**3. Actuarial Valuation:**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

**4. Claims, Provisions and Contingent Liabilities:**

In the case of litigations where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

## SAH POLYMERS LIMITED

Statement of Changes in equity

(1) Current reporting period

Equity Share Capital

₹ in lakhs

| | Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|---|---|---|---|---|---|
| For the year ended on 31/03/2024 | 2579.60 | 0.00 | 0.00 | 0.00 | 2579.60 |

(2) Previous reporting period

| | Balance at the beginning of the previous reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the previous reporting period | Changes in equity share capital during the previous year | Balance at the end of the previous reporting period |
|---|---|---|---|---|---|
| For the year ended on 31/03/2023 | 1559.60 | 0.00 | 0.00 | 1020.00 | 2579.60 |

Other equity

| | Reserves and Surplus | | | | | Total |
|---|---|---|---|---|---|---|
| | Securities premium | General Reserve | Amalgamation Expenses | Retained earnings | Capital issue expenses | |
| Balance at the beginning of the reporting period -01/04/2022 | 280.00 | 79.75 | - | 491.82 | (24.43) | 827.14 |
| On issue of share capital | 5,610.00 | - | - | - | - | 5,610.00 |
| Capital Issue Expenses | - | - | - | - | (912.69) | (912.69) |
| Less:- Public Issue Expenses * | (937.12) | - | - | - | 937.12 | -.00 |
| Profit for the year | - | - | - | 305.64 | - | 305.64 |
| Balance at the end of the reporting period -31/03/2023 | 4,952.88 | 79.75 | - | 797.46 | - | 5,830.09 |
| Profit for the year | - | - | - | 66.35 | - | 66.35 |
| Agumalgamation Expenses | - | - | (15.04) | - | - | (15.04) |
| Dividend fy 2022-2023 | - | - | - | (128.98) | - | (128.98) |
| Balance at the end of the reporting period -31/03/2024 | 4,952.88 | 79.75 | (15.04) | 734.83 | - | 5,752.62 |

for and on behalf of
H.R. JAIN & CO.,
Chartered Accountants
FRN : 002262C

Manoj Jain
Partner
M.No. 400459

Udaipur, May 3,2024

H.R. JAIN & CO. CHARTERED ACCOUNTANTS

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN :- 00119156

MURTAZA ALI MOTI
Wholetime Director
DIN : 07876224

LALIT KUMAR BOLIA
Chief Financial Officer

RUNEL SAXENA
Company Secretary
M.No.28022

* Public issue expenses amounting to Rs. 937.12 lakhs have been adjusted against Securities Premium in accordance with the provisions of section 52 of the Companies Act,2013.

AAH POLYMERS LIMITED

NOTE NO. - 3 PROPERTY, PLANT AND EQUIPMENT (₹ in lakhs)

| Particulars | Lease Assets | Owned Assets | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Land -Leasehold | Land Freehold | Building | Plant and Equipment | Furniture and fixtures | Vehicles | Office Equipment | DG Sets | Tube well | Computer | Total |
| Year ended March,2024 | | | | | | | | | | | |
| GROSS CARRYING AMOUNT | | | | | | | | | | | |
| Opening Gross Carrying Amount | 29.57 | 115.96 | 1,752.24 | 3,227.61 | 69.48 | 70.31 | 39.78 | 58.24 | 6.49 | 27.27 | 5,377.13 |
| Additions | - | - | 297.30 | 362.36 | 22.12 | 13.04 | 8.69 | - | 0.79 | 1.46 | 705.76 |
| Disposals/Adjustments | | | | 4.42 | | | | | | | 4.42 |
| Closing Gross Carrying Amount | 29.57 | 115.96 | 1,949.54 | 3,585.52 | 72.60 | 83.35 | 48.47 | 58.24 | 7.28 | 28.73 | 5,980.56 |
| ACCUMULATED DEPRECIATION | | | | | | | | | | | |
| Opening Accumulated Depreciation | - | - | 184.92 | 751.60 | 13.46 | 25.05 | 19.07 | 31.97 | 0.56 | 10.20 | 1,034.83 |
| Depreciation charged during the year | - | - | 94.52 | 330.90 | 5.24 | 5.73 | 6.48 | 2.55 | 0.22 | 5.28 | 214.93 |
| Disposals/Adjustments | - | - | - | 0.21 | - | - | - | - | - | - | 0.21 |
| Closing Accumulated Depreciation | - | - | 743.44 | 882.29 | 18.70 | 30.78 | 25.56 | 34.52 | 0.78 | 27.48 | 1,257.55 |
| Net Carrying Amount | 29.57 | 115.96 | 1,706.10 | 2,703.23 | 52.90 | 54.81 | 22.91 | 23.72 | 6.50 | 7.25 | 4,722.96 |
| Year ended March,2023 | | | | | | | | | | | |
| GROSS CARRYING AMOUNT | | | | | | | | | | | |
| Opening Gross Carrying Amount | 29.57 | 115.96 | 629.70 | 1,656.84 | 15.75 | 22.93 | 22.90 | 57.28 | 1.16 | 17.34 | 2,369.43 |
| Additions | - | | 1,122.54 | 1,570.77 | 53.73 | 47.38 | 16.88 | 0.96 | 5.33 | 9.93 | 3,067.52 |
| Disposals/Adjustments | | | | | | | | | | | - |
| Closing Gross Carrying Amount | 29.57 | 115.96 | 1,752.24 | 3,227.61 | 69.48 | 70.31 | 39.78 | 58.24 | 6.49 | 27.27 | 5,377.13 |
| ACCUMULATED DEPRECIATION | | | | | | | | | | | - |
| Opening Accumulated Depreciation | - | - | 162.73 | 676.98 | 11.99 | 21.62 | 13.30 | 29.42 | 0.49 | 13.06 | 931.92 |
| Depreciation charged during the year | - | | 22.19 | 74.62 | 1.47 | 3.43 | 5.87 | 2.52 | 0.07 | 3.14 | 111.31 |
| Disposals/Adjustments | - | - | - | - | - | - | - | - | - | - | - |
| Closing Accumulated Depreciation | - | | 184.92 | 751.60 | 13.46 | 25.05 | 19.07 | 31.97 | 0.56 | 16.20 | 1,043.83 |
| Net Carrying Amount | 29.57 | 115.96 | 1,567.32 | 2,476.01 | 56.02 | 45.48 | 20.71 | 26.27 | 5.93 | 11.07 | 4,334.82 |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Capital -work in progress as at 31.03.2024* | | | | | | | | | | | 52.04 |
| Capital -work in progress as at 31.03.2023* | | | | | | | | | | | 92.97 |
| *includes amount incurred on project development expenditure | | | | | | | | | | | |

NOTE NO. - 3 INTANGIBLE ASSETS (₹ in lakhs)

| Particulars | Owned Assets | |
|---|---|---|
| | Software | Total |
| Year ended March,2024 | | |
| Opening Gross Carrying Amount | 9.58 | 9.58 |
| Additions | 1.58 | 1.58 |
| Disposals/Adjustment | - | - |
| Closing Gross Carrying Amount | 11.16 | 11.16 |
| ACCUMULATED DEPRECIATION | | - |
| Opening Accumulated Depreciation | 9.06 | 9.06 |
| Depreciation charged during the year | 0.51 | 0.51 |
| Disposals/Adjustments | - | - |
| Closing Accumulated Depreciation | 9.57 | 9.57 |
| Net Carrying Amount | 1.59 | 1.59 |
| Year ended March,2023 | | |
| GROSS CARRYING AMOUNT | | |
| Opening Gross Carrying Amount | 9.58 | 9.58 |
| Additions | - | - |
| Disposals/Adjustments | - | - |
| Closing Gross Carrying Amount | 9.58 | 9.58 |
| ACCUMULATED DEPRECIATION | | - |
| Opening Accumulated Depreciation | 7.82 | 7.82 |
| Depreciation charged during the year | 1.24 | 1.24 |
| Disposals/Adjustments | - | - |
| Closing Accumulated Depreciation | 9.06 | 9.06 |
| Net Carrying Amount | 0.52 | 0.52 |

Note :
(a) There are no immovable Properties whose title deeds are not in the name of the Company .
(b) The Company has not revalued Property, Plant and Equipment .
(c) The Company has not revalued its intangible assets.
(d) The Company has capital work in progress
(e ) There is no intangible assets under development.

(e) Capital -Work-in Progress (CWIP)

(a) CWIP aging schedule as at 31/03/2024 (₹ in lakhs )

| Particulars | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year s | 1-2 years | 2-3 years | More than 3 years | Total |
| Project in progress | 52.04 | - | - | - | 52.04 |
| Projects temporarily suspended | - | - | - | - | - |

(a) CWIP aging schedule as at 31/03/2023 (₹ in lakhs

| Particulars | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year s | 1-2 years | 2-3 years | More than 3 years | Total |
| Project in progress | 92.97 | - | - | - | 92.97 |
| Projects temporarily suspended | - | - | - | - | - |

SAH POLYMERS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31.03.2024

Note 4 (₹ in lakhs)

| INVESTMENTS -NON CURRENT | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| In Equity Instrument | | | |
| In subsidiary ( carried at cost) | | | |
| Fiberap Polyweave Private Limited | | | |
| 33884 (pr yr,33884) Equity shares of ₹ 100/- each | | | |
| fully paid purchased @ ₹ 1655/- per equity share | 560.78 | | 560.78 |
| | 560.78 | | 560.78 |

Note 5

| OTHER NON- CURRENT LOAN | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| (a) Loan Receivables considered good- secured | - | | - |
| (b) Loan Receivables considered good- unsecured | 1.34 | | 1.97 |
| (c) Loan Receivables which have significant increase in credit risk | | | |
| (d) Loan Receivables which have significant increase in credit risk | - | | - |
| (e) Trade Receivables- credit impaired | - | | - |
| | 1.34 | | 1.97 |
| Less: Allowance for doubtful loans | - | | - |
| | 1.34 | | 1.97 |

Note 6

| OTHER NON- CURRENT FINANCIAL ASSETS | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Bank deposit with more than 12 month maturity* | 70.98 | | 76.19 |
| Security Deposits | 156.13 | | 125.38 |
| | 227.11 | | 201.57 |

*Includes accrued interest ₹ 0.98 lakhs (pr. yr. ₹ 2.70 lakhs). Out of this deposit ₹ 70.98 lakhs (pr. yr ₹ 76.19 lakhs) lienedwith UCO Bank against Bank Guarantee.

Note 7

| OTHER NON-CURRENT ASSETS | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Capital Advances | 0.65 | | 0.65 |
| Advances other than capital advances : | | | |
| Security Deposit | | | |
| -With Statutory Authorities | 0.92 | | 0.92 |
| Other advances | 4.11 | | 4.11 |
| | 5.68 | | 5.68 |

Note 8

| INVENTORIES | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| At lower of cost and net realisable value | | | |
| Raw material | 149.83 | | 175.77 |
| Work-in -progress | 1,216.00 | | 971.90 |
| Finished Goods | 388.04 | | 457.68 |
| Stores and Spares | 229.35 | | 146.97 |
| Printing Ink | 53.45 | | 31.60 |
| | 2,036.57 | | 1,783.92 |

Note 9

| TRADE RECEIVABLE | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| (a) Trade Receivables considered good- secured | - | | - |
| (b) Trade Receivables considered good- unsecured | 2,061.28 | | 1,057.24 |
| (c) Trade Receivables which have significant increase in Credit Risk | - | | - |
| (d) Trade Receivables -Credit impaired | - | | - |
| | 2,061.28 | | 1,057.24 |
| Less: Allowance for doubtful receivables | - | | - |
| | 2,061.28 | | 1,057.24 |

Note 9.1 : No trade receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies in which any director is a partner, a director or a member, other than dues from related parties disclosed as mentioned in note 39.

Trade receivables ageing schedule as

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 1,878.52 | 46.00 | | | 136.76 | 2,061.28 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables– which have significant increase in credit risk | - | - | - | - | - | - |
| Total | 1,878.52 | 46.00 | | - | 136.76 | 2,061.28 |

Trade receivables ageing schedule as

| Particulars | Outstanding for | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 920.48 | | | | 136.76 | 1,057.24 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables– which have significant increase in credit risk | - | - | - | - | - | - |
| Total | 920.48 | - | - | - | | 1,057.24 |

Note 10

| CASH AND CASH EQUIVALENTS | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| (a) Balances with banks | | | |
| On Current Account | 167.40 | | 34.89 |
| On Fixed Deposit with maturity less three months * | 555.08 | | 1,010.24 |
| (b) Cash on hand | 3.09 | | 4.91 |
| | 725.57 | | 1,050.04 |

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.
*includes accrued interest ₹ 2.10 lakhs (previous year ₹ 10.24 lakhs)

Note 11

| OTHER BANK BALANCES | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Deposit with more than 3 months and remaining maturity period less than 12 months from the date of the balance sheet * | 540.68 | | 1,013.80 |
| | 540.68 | | 1,013.80 |

*includes accrued interest ₹ 6.37 lakhs (previous year ₹ 10.70 lakhs)

Note 12

| LOANS (CURRENT) | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| (a) Loan Receivables considered good- secured | - | | - |
| (b) Loan Receivables considered good- unsecured | 1,007.05 | | 1,184.98 |
| (c) Loan Receivables which have significant increase in credit risk | | | |
| (d) Loan Receivables which have significant increase in credit risk | - | | - |
| (e) Trade Receivables- credit impaired | - | | - |
| | 1,007.05 | | 1,184.98 |
| Less: Allowance for doubtful loans | - | | - |
| | 1,007.05 | | 1,184.98 |

Note12.1 :No loans are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member, other than dues from related parties disclosed as mentioned in note 39.

No loans and advances are due from directors or other officers and related party of the Company
Loans or advances in the nature of loans granted to promoters, directors , KMPS and the related parties
(a)Repayable on demand or (b) without specifying terms of period of repayment

₹ in lakhs

| Type of Borrower ——> | Promoters | Directors | KMPs | Related Parties | Total |
|---|---|---|---|---|---|
| Amount of loan or advance in the nature of outstanding | 0(0) | 0(0) | 1.85 (2.50) | 267.00 (345.69) | 257.8 5(347.50) |
| Percentage to the total Loans & Advances in the nature of Loans | 0(0) | 0(0) | 0.18 (0.21) | 25.40(29.07) | 25.58 (29.28) |

*amount in bracket represents previous year's figures

Note 13

| OTHER- CURRENT FINANCIAL ASSETS | As at 31.03.2023 | | As at 31.03.2023 |
|---|---|---|---|
| Interest on deposits etc. | 5.24 | | 6.96 |
| | 5.24 | | 6.96 |

Note 14

| CURRENT TAX ASSETS | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Income tax Refund | 13.28 | | - |
| | 13.28 | | - |

Note 15

| OTHER CURRENT ASSETS | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Advances other than capital advances : | | | |
| Other advances : | | | |
| -balance with statutory authorities | 107.82 | | 334.33 |
| -advance against expenses | 42.84 | | 11.96 |
| -Other advances | 151.21 | | - |
| -pre-paid expenses | 18.49 | | 20.18 |
| Other receivables | 102.81 | | 41.96 |
| | 423.17 | | 408.37 |

Note 16

| SHARE CAPITAL : | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Authorised : | | | |
| 30000000 (pr.yr 30000000) Equity Shares of ₹ 10/- each | 3,000.00 | | 3,000.00 |
| (pr.yr.₹ 10/-) | 3,000.00 | | 3,000.00 |
| Issued, subscribed and fully paid | | | |
| 25796000(pr.yr. 25796000) Equity Shares of ₹ 10/- each fully paid up | 2,579.60 | | 2,579.60 |
| | 2,579.60 | | 2,579.60 |

| Reconciliation of number of shares : | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Face value per share (₹ ) | 10 | | 10 |
| Number of Equity Shares outstanding at the beginning of the reporting period | 25,796,000 | | 15,596,000 |
| No. of Equity Shares issued during the year | - | | 10,200,000 |
| | 25,796,000 | | 25,796,000 |
| Less : Deductions during the year | - | | - |
| Number of Equity Shares outstanding at the end of the reporting period | 25,796,000 | | 25,796,000 |

| Name of the shareholders holding more than 5% shares in the company | | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|---|
| Name of shareholder | Class | No. of shares | % | No. of shares | % |
| Sat Industries Limited and nominees | Equity | 14316000 | 55.50 | 14316000 | 55.50 |

| Shares held by promoters at the end of the year | | | % change during the year |
|---|---|---|---|
| Promoter name | No of shares | % of total shares | |
| Sat Industries Limited including shares held by nominees. | 14316000 (14316000) | 55.50 (55.50) | NIL |
| Total | 14316000 (14316000) | 55.50 (55.50) | NIL |

Figures in bracket represent previous year figures
* Considered as per the information filed by the Company with stock exchanges for the year ended March 31, 2024 and Annual return filed by the Company for the year ended March 31,2023.

| Shares held by holding Company | | | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|---|---|
| Name of holding Company | Class | | No of shares | % Holding | No of shares | % Holding |
| Sat Industries Limited and nominees | Equity | | 14316000 | 55.50 | 14316000 | 55.50 |

The Company has only one class of equity shares having face value of ₹ 10/- each. The holder of the equity share is entitled to dividend right and voting right in the same proportion as the capital paid-up on such equity share bears to the total paid-up equity share capital of the Company. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in the same proportion as the capital paid-up on the equity shares held by them bears to the total paid-up equity share capital of the Company

The Company has not allotted any bonus shares during the period of five years immediately preceding March 31,2024

The Company has not allotted any shares pursuant to contract without payment being received in cash.

There are no call unpaid on equity shares.

No shares have been reserved for issue on option.

No equity shares have been forfeited.

Note 17

OTHER EQUITY

| Particulars | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| 1.SEURITIES PREMIUM | | | |
| As per the last year accounts | 4,952.88 | | 280.00 |
| Add: Addition during the year | - | | 5,610.00 |
| Less:- Transferred from Capital Issue Expenses* | - | | (937.12) |
| | 4,952.88 | | 4,952.88 |
| 2.GENERAL RESERVE | | | |
| As per the last year accounts | 79.75 | | 79.75 |
| 3.CAPITAL ISSUE EXPENSES | | | |
| As per the last year accounts | - | | (24.43) |
| Addition during the year | - | | (912.69) |
| Less: Transferred to securities premium | - | | 937.12 |
| | - | | - |
| 4.AMALGAMATION EXPENSES: | | | |
| As per the last year accounts | - | | - |
| Add: Addition during the year | (15.04) | | - |
| | (15.04) | | |
| 5. RETAINED EARNINGS | | | |
| As per the last year accounts | 797.46 | | 491.82 |
| Less :- Dividend Fy. 2022-2023 | (128.98) | | - |
| Add: Surplus for the year | 66.35 | | 305.64 |
| | 734.83 | | 797.46 |
| Total | 5,752.42 | | 5,830.09 |

* Public issue expenses amounting to ₹ 0.00 lakhs ( ₹ 937.12 lakhs) have been adjusted against Securities Premium in accordance with the provisions of section 52 of the Companies Act,2013

1. Share Premium :

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Act

2. General Reserve

This includes the amount received from the Government under an incentive scheme for capital expansion and on the expiry of requisite period , the amount was transferred to it.

3.Retained Earnings:

This Reserve represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

Note 18

| BORROWINGS -NON CURRENT : | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| | Current | Non-Current | Current | Non-Current |
| **SECURED :** | | | | |
| (a) Term Loans | | | | |
| from banks : | | | | |
| UCO Bank | | | | |
| I Term Loan- Additional working capital term loan under guarantee emergency credit loan | 2.52 | - | 39.87 | 2.04 |
| II Term Loan- Guaranteed Emergency Credit Line ( GECL) | 30.90 | 45.46 | 5.57 | 78.32 |
| III Term Loan- TL | 199.78 | 533.33 | 200.00 | 733.33 |
| IV Term Loan- Car | 1.38 | 12.38 | 4.88 | 12.98 |
| V Term Loan- Solar | 37.50 | 100.00 | - | - |
| VI HDFC Bank -Truck Loan | 4.67 | 13.94 | 4.31 | 18.61 |
| VII HDFC Bank -Car Loan | 2.23 | 9.89 | - | - |
| | 278.08 | 715.00 | 254.63 | 845.58 |

(I) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and at Vill: Modi , District : Udaipur and also by way of first charge on all current assets such as raw material , finished goods, work -in progress, stores and spares, book debts, and packing materials etc. The loan is repayable in 36 equal monthly instalment ₹ 354611.00 each commencing from June 14, 2023 and the last instalment is repayable on June 14,2024. Rate of interest as on 31.03.2024 is 9.25 % per annum. It is also secured by way of corporate guarantee of Sat Industries Limited.

(II) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and Vill : Modi , District :Udaipur and also by way of first charge on all current assets such as raw material , finished goods, work -in progress, stores and spares , book debts, and packing materials etc. The loan is repayable in 36 equal monthly instalment ₹ 263376.35 each commencing from December 15, 2023 and the last instalment is repayable on December 15,2026. Rate of interest as on 31.03.2024 is 9.25 % per annum. It is also secured by way of corporate guarantee of Sat Industries Limited.

(III) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and Vill : Modi , District : Udaipur and also by way of first charge on all current assets such as raw material , finished goods, work -in progress, stores and spares , book debts, and packing materials etc. The loan is repayable in 36 equal monthly instalment ₹ 1666667.00 each commencing from December 15, 2023 and the last instalment is repayable on June 15,2028. Rate of interest as on 31.03.2024 is 10.00 % per annum.It is also secured by way of corporate guarantee of Sat Industries Limited.

(IV) Borrowings from UCO Bank is secured against Hypothecation of Vehicle No. RJ27UE0279. The loan is repayable in 60 equal monthly instalment ₹ 40649.00 each commencing from June 06, 2022 and the last instalment is repayable on May 31,2027. Rate of interest as on 31.03.2024 is 10.20 % per annum.

(V) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and Vill : Modi, District : Udaipur and also by way of first charge on all current assets such as raw material , finished goods, work -in progress, stores and spares , book debts, and packing materials etc. The loan is repayable in 48 equal monthly instalments ₹ 3,12,500.00 each commencing from September 30, 2023 and the last instalment is repayable on September 30,2028. Rate of interest as on 31.03.2024 is 10.00 % per annum.It is also secured by way of corporate guarantee of Sat industries Limited.

(VI) Borrowings from HDFC bank is secured against Hypothecation of Vehicle No.RJ27GE0153. The loan is repayable in 60 equal monthly instalment of ₹ 49946.00 each commencing from November 15, 2022 and the last instalment is repayable on October 15,2027. Rate of interest as on 31.03.2024 is 8.02 % per annum.

(VII) Borrowings from HDFC Bank is secured against Hypothecation of Vehicle No. RJ27UC2292. The loan is repayable in 60 equal monthly instalment of ₹ 27050.00 each commencing from November 05,2023 and the last instalment is repayable on October 05,2028. Rate of interest as on 31.03.2024 is 09.10 % per annum.

(VIII) There is no continuing default in the payment of principal and interest thereof inrespect of loans (I) to (VII) stated above.

Note 19

| DEFERRED TAX LIABILITIES (NET) | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Particulars | | | |
| a)Deferred tax liability | | | |
| Opening | 230.51 | | 145.48 |
| Depreciation | 20.09 | | 85.14 |
| Deferred tax assets | - | | - |
| Leave encashment | 2.23 | | 0.11 |
| Net amount charged to Statement of Profit and Loss | 17.83 | | 85.03 |
| Deferred tax liabilities(net) | 248.34 | | 230.51 |
| b)Mat Credit Entitlement | | | |
| Opening | 50.82 | | - |
| Addition | 14.10 | | 50.82 |
| Less :- Mat Credit use | - | | - |
| | 64.92 | | 50.82 |
| | 183.42 | | 179.69 |

Note 20

| BORROWINGS -CURRENT : | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| **SECURED :** | | | |
| Current maturity of long term borrowings * (*for security refer to Note 18) | 278.08 | | 254.63 |
| **Repayable on demand** | | | |
| **From Banks :** | | | |
| Cash Credit facilities from UCO Bank (a) | 1,578.44 | | 882.11 |
| | 1,856.52 | | 1,136.74 |
| **UNSECURED :** | | | |
| Repayable on demand | | | |
| From Bank | | | |
| ICICI Bank Ltd (b) | 297.00 | | 280.00 |
| Deutsche Bank -OD (c) | - | | 0.99 |
| | 297.00 | | 280.99 |
| | 2,153.52 | | 1,417.73 |

(a) Borrowings from UCO Bank is secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and Vill : Modi, District : Udaipur and also by way of first charge on all current assets such as raw material , finished goods, work -in progress, stores and spares , book debts, and packing materials etc. It is also secured by way of corporate guarantee of Sat Industries . Rate of interest as on 31.03.2024 is 10.00% per annum.

(b) Guaranteed by Mr. Asad Daud ,Director and Mr. Hakim Sadiq Ali Tidiwala ,Wholetime Director of the Company. Rate of interest as on 31.03.2024 is 11.05% per annum .

(c) Guaranteed by Mr Asad Daud ,Director and Mr. Hakim Sadiq Ali Tidiwala ,Wholetime Director of the Company. Rate of interest as on 31.03.2024 is 9.95% per annum

* There is no continuing default in the payment of interest .

Note 21

| TRADE PAYABLES | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises | - | | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 746.65 | | 553.09 |
| | 746.65 | | 553.09 |

Trade payables ageing schedule as at 31st March, 2024 (₹ in lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | TOTAL |
| (i) Undisputed -Micro & small enterprises | | | - | - | - | - | - |
| (ii) Undisputed Others | 746.65 | - | - | - | - | - | 746.65 |
| (iii) Disputed dues – Micro & small enterprises | | - | - | - | - | - | - |
| (iv) Disputed dues - Others | | - | - | - | - | - | |
| Total | 746.65 | 0 | 0 | 0 | 0 | 0 | 746.65 |

Trade payables ageing schedule as at 31st March, 2023 (₹ in lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | TOTAL |
| (i) Undisputed -Micro & small enterprises | - | - | - | - | - | - | 0 |
| (ii) Undisputed Others | 553.09 | - | - | - | - | - | 553.09 |
| (iii) Disputed dues – Micro & small enterprises | - | - | - | - | - | - | |
| (iv) Disputed dues - Others | - | - | - | - | - | - | |
| Total | 553.09 | - | - | - | - | - | 553.09 |

Note 22

| OTHER- CURRENT FINANCIAL LIABILITIES | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Interest on Loan | 2.69 | | 2.10 |
| | 2.69 | | 2.10 |

Note 23

| OTHER CURENT LIABILITIES | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Statutory Liabilities | 13.45 | | 54.30 |
| Advance received from customers | 43.22 | | 31.73 |
| Others | 187.24 | | 155.03 |
| | 244.01 | | 241.06 |

Note 24

| PROVISIONS | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Provisions for leave encashment | 9.02 | | 0.44 |
| | 9.02 | | 0.44 |

Note 25

| CURRENT TAX LIABILITIES | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Current tax ( net of advance tax ) 22-23 | - | | 53.74 |
| | - | | 53.74 |

Note 26

| REVENUE FROM OPERATIONS | For the year ended 31.03.2024 | | For the year ended 31.03.2023 |
|---|---|---|---|
| (a) Manufactured Goods | 9,117.61 | | 6,166.61 |
| (b) Traded Goods | 700.08 | | 1,824.48 |
| (c) Sale of services: | | | |
| I) Job work | 57.24 | | 71.53 |
| I I) Lease Rent | 23.24 | | 10.42 |
| II) Commission -DCA | 56.90 | | 62.29 |
| | 137.38 | | 143.94 |
| (d) Interest Income (Business) | 121.63 | | 110.43 |
| | 10,076.10 | | 8,245.46 |

Note 27

| OTHER INCOME | For the year ended 31.03.2024 | | For the year ended 31.03.2023 |
|---|---|---|---|
| (a) Rent | 0.24 | | 0.42 |
| (b) Interest on financial assets on amortised cost | 122.05 | | 31.75 |
| (c) Miscellaneous income | 0.18 | | 0.79 |
| (d) Foreign Exchange Fluctuation | 95.24 | | 107.40 |
| (e) Export Incentive | 1.42 | | - |
| (f) Profit on Sales of Property, Plant and Equipment | 0.21 | | - |
| | 219.34 | | 140.36 |

Note 28

| COST OF MATERIAL CONSUMED | For the year ended 31.03.2024 | | For the year ended 31.03.2023 |
|---|---|---|---|
| Opening Stock | 175.77 | | 168.21 |
| Add: Purchases and adjustments | 5,747.83 | | 4,231.14 |
| | 5,922.60 | | 4,399.35 |
| Less: Closing Stock | 149.83 | | 175.77 |
| | 5,772.77 | | 4,223.58 |

Note 29

| PURCHASES OF STOCK -IN TRADE | For the year ended 31.03.2024 | | For the year ended 31.03.2023 |
|---|---|---|---|
| Traded goods | 664.81 | | 1,819.35 |
| | 664.81 | | 1,819.35 |

Note 30

| CHANGES IN INVENTORIES | | For the year ended 31.03.2024 | | For the year ended 31.03.2023 |
|---|---|---|---|---|
| **Opening Stock :** | | | | |
| Finished Goods | 457.68 | | 207.02 | |
| Add :- Goods produced during trial run | - | | 12.73 | |
| | 457.68 | | 219.75 | |
| Work-in-progress | 971.90 | | 587.31 | |
| Add :- Goods produced during trial run | - | | 118.66 | |
| | 971.90 | 1,429.58 | 706.17 | 925.92 |
| **Less :Closing Stock :** | | | | |
| Finished Goods | 388.04 | | 457.68 | |
| Work-in-progress | 1,216.00 | | 971.90 | |
| | | 1,604.04 | | 1,429.58 |
| | | (174.46) | | (503.66) |

Note 31

| EMPLOYEE BENEFITS | For the year ended 31.03.2024 | | For the year ended 31.03.2023 |
|---|---|---|---|
| (i) Salaries, wages and bonus | 405.07 | | 245.16 |
| (ii) Contribution to provident and other funds | 24.88 | | 15.85 |
| (iii ) Gratuity | 7.55 | | 11.16 |
| (vi) Staff welfare expenses | 31.75 | | 14.02 |
| | 469.25 | | 286.19 |

Note 32

| FINANCE COSTS | For the year ended 31.03.2024 | | For the year ended 31.03.2023 |
|---|---|---|---|
| (a) Interest on borrowings | 284.43 | | 173.60 |
| (b) Foreign exchange fluctuation on credit facility | - | | 5.54 |
| (c) Interest on Income tax | 6.24 | | 11.05 |
| (d) Other borrowing costs - Processing Charges | 6.09 | | 0.75 |
| | 296.76 | | 190.94 |

Note 33

| OTHER EXPENSES | For the year ended 31.03.2024 | | For the year ended 31.03.2023 |
|---|---|---|---|
| Bag Printing Expenses | 9.84 | | 9.99 |
| Bag Stitching Expenses | 665.09 | | 220.06 |
| Bank Commission and charges | 28.60 | | 25.90 |
| Books & Periodicals | 0.33 | | 0.36 |
| Carriage Outward | 26.48 | | 32.11 |
| Commission on sales | 32.79 | | 23.24 |
| Consultancy | 52.60 | | 27.32 |
| Corporate Social Responsibility expenditure | 7.25 | | 4.91 |
| Repairs & Maintenance on : | | | |
| -Plant and Machinery | 25.35 | | 34.31 |
| -Building | 14.35 | | 0.46 |
| -Others | 0.79 | | 1.54 |
| Consumption of stores and spare parts | 79.14 | | 72.20 |
| Festival Expenses | 4.56 | | 2.61 |
| Early Payment incentive expenses | 3.09 | | 1.73 |
| Economic Rent & Service Charges | 0.86 | | 0.86 |
| Electric & Power | 567.49 | | 343.64 |
| Export Freight , Insurance & other Expenses | 583.51 | | 601.57 |
| Fabric Weaving Expenses | 131.12 | | 111.70 |
| Fees & Taxes | 1.05 | | 1.92 |
| Fuel & Lubricant | 37.51 | | 28.41 |
| Godown Rent | 6.69 | | 6.39 |
| Inspection Charges of bags | 0.95 | | 0.56 |
| Insurance Charges | 10.57 | | 8.11 |
| Transport Expenses | 17.39 | | 0.19 |
| Job charges | 360.96 | | 67.34 |
| Lease Rent | 12.50 | | 12.54 |
| Legal & Professional Exp. | 18.92 | | 7.31 |
| Miscellaneous Expenses | 18.20 | | 34.91 |
| Material handling Charges | 5.97 | | 5.56 |
| Packing Materials | 71.20 | | 24.25 |
| Payment to Auditors as: | | | |
| (i) auditor | 0.23 | | 0.23 |
| (ii) for reimbursement of expenses | 0.05 | | 0.05 |
| Postage & Telegram | 13.88 | | 5.31 |
| Printing Ink | 40.09 | | 51.70 |
| Rating Charges | 0.70 | | 1.03 |
| Rebate, Claim and Discounts | 18.70 | | 5.06 |
| Software Expenses | 2.60 | | 3.31 |
| Sorting and counting charges | 27.72 | | 29.10 |
| Security Services | 6.67 | | 1.84 |
| Stationery & Printing | 5.21 | | 4.52 |
| Subscription & Membership | 4.52 | | 6.77 |
| Telephone and Mobile | 4.41 | | 2.84 |
| Vehicle Running & Maintenance Expenses | 10.83 | | 5.54 |
| Warehouse Management charges | 4.34 | | 4.88 |
| Water Expenses | 3.91 | | 2.39 |
| | 2,965.69 | | 1,846.27 |

Note 34

| Additional Information | For the period ended 31.03.2023 | | For the year ended 31.03.2023 |
|---|---|---|---|
| (i) Depreciation and Amortisation : | | | |
| (a) Depreciation expense | 214.93 | | 111.31 |
| (b) Amortization expense | 0.51 | | 1.24 |
| | 215.44 | | 112.55 |
| (ii) Payment to Auditors as * | | | |
| (a) Auditors | 0.23 | | 0.23 |
| (b) Reimbursement of expenses | 0.05 | | 0.05 |
| | 0.28 | | 0.28 |

* excludes ₹ 0.00 lakhs (Previous Year ₹ .70 lakhs ) paid for certification , in the nature of initial public offer issues expenses accounted in Securities Premium Account.

Note 35

**Earnings per share**

₹ in lakhs

| | As on 31.03.2024 | | As on 31.03.2023 |
|---|---|---|---|
| Earning per share has been computed as under | | | |
| (a) Profit for the year | 66.35 | | 305.64 |
| (b) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share | 25796000 | | 17887507 |
| (c) Effect of potential Equity shares on conversion of outstanding share warrants | - | | - |
| (d) Weighted average number of equity shares in computing diluted earnings per share [(b) + (c)] | 25796000 | | 17887507 |
| (e) Earnings per share on profit for the year [Face Value ₹ 10.00 per share] – | | | |
| -Basic (a/b) | 0.26 | | 1.71 |
| -Diluted (a/d) | 0.26 | | 1.71 |

Note 36

Contingent liabilities and commitments :

(a) Contingent liabilities

(₹ in lakhs)

| Claims against excise duty and other matters | 31st March,2024 | 31st March, 2023 |
|---|---|---|
| (i) Income tax Matters * | 0.49 | 0.79 |
| Total | 0.49 | 0.79 |

*Net of deposit .

It is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

(b) Commitments

(₹ in lakhs)

| | | |
|---|---|---|
| ● Estimated amount of contracts remaining to be executed on capital accounts and not provided for | 7.74 | - |
| GUARANTEES | 31st March,2024 | 31st March, 2023 |
| i) Guarantees issued by Uco Bank | 700.00 | 700.00 |
| ii) Guarantee given on behalf of subsidiary | | |
| a) Guarantee given by the Company to UCO Bank against cash credit limit provided to Fibcorp Polyweave Private Limited | 300.00 | 300.00 |

Note 37

**Capitalisation of expenditure**

During the year, the Company has capitalised the following expenses of revenue nature to the cost of property, plant and equipment /capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Company (₹ in lakhs)

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Employee Benefits expenses | - | 109.33 |
| Finance costs | - | 160.41 |
| Other Expenses | 52.04 | 42.85 |
| Total | 52.04 | 312.59 |

Note 38

Financial Instruments and Related Disclosures :

1. Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets.

The Company determines the amount of capital required on the basis of annual business plan also taking into consideration any long term strategic investment and expansion plans. The funding needs are met through equity and cash generated from operations.

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals, borrowings etc. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's capital management is to safeguard its ability to continue as going concern and to maintain and optimal capital structure so as to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt and adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

(₹ in lakhs)

| | As at 31 March, 2024 | As at 31 March, 2023 |
|---|---|---|
| Non-current borrowings | 713.00 | 845.58 |
| Current borrowings | 2153.52 | 1417.73 |
| Gross debt | 2866.52 | 2263.31 |
| Less - Cash and cash equivalents | 725.57 | 1050.04 |
| Less - Other bank deposits | 540.68 | 1089.99 |
| Adjusted net debt (A) | 1600.27 | 123.28 |
| Total equity (B) | 8332.02 | 8409.69 |
| Adjusted net debt to equity ratio | 19.21 | 1.47 |
| Total capital (A)+(B) | 9932.29 | 8532.97 |
| Gearing ratio * | 34.40 | 26.91 |

*The Company's ideal gearing ratio is 34.52% to 26.91%.

2. Categories of financial instruments

| Particulars | Note | | As at 31st March,2023 | | As at 31st March,2023 | |
|---|---|---|---|---|---|---|
| | | | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Financial assets | | | | | | |
| Measured at amortised cost | | | | | | |
| i) Cash and cash equivalent | 10 | | 725.57 | 725.57 | 1,050.04 | 1,050.04 |
| ii) Other Bank balance | 11 | | 540.68 | 540.68 | 1,013.80 | 1,013.80 |
| v) Trade receivables | 9 | | 2,061.28 | 2,061.28 | 1,057.24 | 1,057.24 |
| vi) Other financial assets | 6&13 | | 232.35 | 232.35 | 208.53 | 208.53 |
| Total Financial assets | | | 3,559.86 | 3,559.86 | 3329.61 | 3329.61 |
| Financial Liabilities | | | | | | |
| Measured at amortised cost | | | | | | |
| i) Cash Credit facilities | 20 | | 1,578.44 | 1,578.44 | 882.11 | 882.11 |
| ii)Term loans- Non current | 18 | | 713.00 | 713.00 | 845.58 | 845.58 |
| iii) Trade payables | 21 | | 746.65 | 746.65 | 553.09 | 553.09 |
| iv) Other financial liabilities | 22 | | 2.69 | 2.69 | 2.10 | 2.10 |
| Total financial liabilities | | | 3,040.78 | 3,040.78 | 2282.88 | 2282.88 |

3 : FINANCIAL RISK MANAGEMENT

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company does regularly monitor ,analyze and manage the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

**A. MANAGEMENT OF MARKET RISK:**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings and investments.

The Company has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

**(i) Management of interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks since its borrowings and investments are all in fixed rate instruments.

**(ii) Management of price risk:**

The Company has no surplus for investment in debt mutual funds, deposits etc. The Company does make deposit with the banks to provide security/margin against guarantee given by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

**(iii) Management of currency risk:**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures etc.. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk(The Company has exposure only in USD/EURO converted to functional currency i.e.INR)

The currency profile of financial assets and financial liabilities as at March 31st, 2024 and March 31, 2023, are as below:

₹ in lakhs

| Financial assets | Exposure currency | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|---|
| Trade receivables | USD | 759.35 | 419.10 |
| | EURO | 938.07 | 182.67 |
| | GBP | 93.4 | 75.51 |
| Trade payable | USD | 12.94 | - |
| | EURO | - | - |
| | | 1777.86 | 677.28 |

**Sensitivity analysis**

A reasonably possible 5% strengthening (weakening) of the Indian Rupee against USD/EURO at March 31 would have affected the measurement of financial instruments denominated in USD/EURO and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

₹ in lakhs

| | As at | | Strengthening | Weakening |
|---|---|---|---|---|
| Profit/(Loss) | 31.03.2023 | | 33.86 | 33.86 |
| | 31.03.2024 | | 88.89 | 88.89 |

**B. MANAGEMENT OF CREDIT RISK:**

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

**C. MANAGEMENT OF LIQUIDITY RISK:**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimised cost.

The Company's Current assets aggregate to ₹ 6812.84 lakhs( 2023 – ₹ 6505.31 Lakhs) including Cash and cash equivalents and Other bank balances of ₹ 1547.73 lakhs( 2023 – ₹ 2198.78 lakhs) against an aggregate Current liability of ₹ 3155.89 lakhs( 2023 – ₹ 2268.16 Lakhs); Non-current liabilities due between one year to three years amounting to ₹ 713 lakhs ( 2023 – 845.58 ) and Non-current liability due after three years amounting to NIL( 2023– NIL) on the reporting date. Further, while the Company's total equity stands at ₹ 8332.02 lakhs( 2023– ₹ 8409.69 lakhs), it has non-current borrowings of ₹ 713.00lakhs( 2023 – ₹ 845.58). In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

**D. Fair value measurement**

**Fair value hierarchy**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counter party.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

| Particulars | Fair value hierarchy | As at 31st,March,2023 | | As at 31st March,2022 | |
|---|---|---|---|---|---|
| | | Fair Value | | Fair Value | |
| Financial assets | | | | | |
| Measured at amortised cost | | | | | |
| i) Cash and cash equivalent | L2 | 725.57 | | 128.15 | |
| ii) Other Bank balance | L2 | 540.68 | | 39.23 | |
| v) Trade receivables | L2 | 2,061.28 | | 1,217.83 | |
| vi) Other financial assets | L2 | 232.35 | | 208.53 | |
| Total Financial assets | | 3,559.88 | | 1,613.73 | |
| Financial Liabilities | | | | | |
| Measured at amortised cost | | | | | |
| i) Cash Credit facilities | L2 | 1,578.44 | | 681.98 | |
| ii)Term loans | L2 | 991.08 | | 172.24 | |
| iii) Trade payables | L2 | 746.65 | | 578.96 | |
| iv) Other financial liabilities | L2 | 2.69 | | 2.10 | |
| Total financial liabilities | | 3,318.86 | | 1,435.28 | |

**Note 39**

Disclosures in respect of related parties pursuant to Ind AS 24

(i) Holding Company

01) Sat Industries Limited

(ii) Subsidiary :

01) Fibcorp Polyweave Private Limited

(iii) Key Managerial Personnel

01) Mr. Hakim Sadiq Ali Tutiwala, Wholetime Director

02) Mr.Murtaza Ali Moti, Wholetime Director

04) Mr. Lalit Kumar Bolia, Chief Financial Officer

05) M₹ Runel Saxena,Company Secretary

(vi) Sat Foundation

During the year following transactions were carried out with the related parties in the ordinary course of business at arm's length price

₹ in lakhs

| Name of related party | Nature of relation | For theyear ended on 31/03/2024 | For the year ended on 31/03/2023 | Nature of transaction |
|---|---|---|---|---|
| Fibcorp Polyweave Private Limited | Subsidiary | 292.28 | 1,274.42 | Purchases |
| | | - | 0.40 | Purchase Machine |
| | | 1,123.18 | 1,235.76 | Sales |
| | | 498.27 | 84.00 | Job work Expenses |
| | | 22.24 | 10.12 | Lease rent income |
| | | 312.90 | 345.00 | Loan Given |
| | | 394.00 | - | Loan recerved Back |
| | | 27.10 | 4.28 | Interest received |
| | | 57.24 | 71.53 | Job work receipt |
| Sat Industries Limited | Holding Company | 430.00 | 400.00 | Loan Taken |
| | | 430.00 | 1,180.00 | Loan Repayment |
| | | 5.61 | 66.18 | Interest Paid |
| | | 0.24 | 0.42 | Rent Received |
| Mr. Hakim Sadiq Ali tidiwala | Key Management Personnel | | | |
| Mr. Murtaza Moti Ali | | 17.69 | 17.66 | Remuneration |
| Mr. Lalit Kumar Bolia | | 24.00 | 24.00 | Remuneration |
| Ms. Rumel Saxena | | 8.17 | 7.66 | Remuneration |
| Sat Foundation | Director's relative is trustee | 4.97 | 3.69 | Remuneration |
| | | 7.25 | 4.25 | CSR Expenditure |

**Closing balances**

| Name | As at 31/03/2024 | As at 31/03/2023 |
|---|---|---|
| Fibcorp Polyweave Private Limited-Loan | 267.60* | 441.229 |
| Corporate bank Guarantee given to UCO Bank on behalf of Fibcorp Polyweave private Limited | 300.00 | 300.00 |
| Closing balances in the case of other names is NIL. | - | - |

*debit balance **credit balance

No amount in respect of the related parties have been written off/back are provided for during the year.

Related party relationship has been identified by the Management and relied upon by the auditor.

Terms and conditions of transactions with related parties:

The sale to and purchases from related parties are made in the ordinary course of business and based on the price lists in force and terms that would be available to third parties.

The loans to and from from related parties are made in the ordinary course of business and are on arm's length basis based on the price lists in force and terms that would be available to third parties.

Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. No provision are held against receivables from related parties.

**Note 40**

**EMPLOYEE BENEFITS**

**a) DEFINED CONTRIBUTION PLAN**

Provident Fund:

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

**b) DEFINED BENEFIT PLAN**

Gratuity:

The Company participates in the Employees' Group Gratuity-Scheme of Life Insurance Corporation Limited, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity (Amendment) Act, 1997, or as per the Company's scheme whichever is more beneficial to the employees.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

**Provident Fund:**

The Company makes Provident Fund contribution to the Government administered Provident fund. The Company has no part to play in this respect.

**c) Amounts Recognised as Expense:**

**i) Defined Contribution Plan**

Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to ₹ 30.75 Lakhs (previous year ₹ 10.31 Lakhs ) has been included under Contribution to Provident and Other Funds.

**ii) Defined Benefit Plan**

Gratuity cost amounting to ₹ 7.55 Lakhs (previous year ₹ 11.16 Lakhs ) has been included in Note 31 under Contribution to Provident and Other Funds.

**Note 41**

**TAX RECONCILIATIONS**

₹ in lakhs

| Tax expenses recognised in the Statement of Profit and Loss | Period ended March 31,2024 | | Year ended March 31,2023 |
|---|---|---|---|
| **Current Tax :** | | | |
| Current tax on profits for the year | - | | 19.93 |
| Deffered tax (Net) | 17.83 | | 85.03 |
| Total income tax expenses | 17.83 | | 104.96 |

Reconciliation of tax expenses and the accounting profit

The reconciliation between estimated income tax at statutory income tax rate into income tax expenses reported in Statement of Profit and Loss is given below :

| | Period ended March 31,2024 | | Year ended March 31,2023 |
|---|---|---|---|
| Profit before income tax | 84.18 | | 410.60 |
| Indian statutory income tax rate | 26.00% | | 27.82% |
| Expected income tax expenses | 21.89 | | 114.23 |
| **Tax effect of adjustment to reconcile expected income tax Expenses to reported Income tax Expenses** | | | |
| Tax impact of income not subject to tax | - | | - |
| Tax effects of amounts which are not deductible for taxable income | 5.74 | | 0.12 |
| Tax impact due to 43B of the Income tax Act,1961 | - | | - |
| MAT credit adjustments | 14.10 | | 50.82 |
| Others | (41.75) | | (145.24) |
| | (21.89) | | (94.30) |
| Total income tax expenses: | (0.00) | | 19.93 |
| Effective rate of tax (%) | - | | 4.85 |

Deferred Tax (Liabilities)

| | Period ended March 31,2024 | | Year ended March 31,2022 |
|---|---|---|---|
| **Property Plant and Equipment** | 20.06 | | 85.14 |
| Others | - | | - |
| Total deferred tax liabilities | 20.06 | | 85.14 |

Deferred Tax Assets

| | Period ended March 31,2024 | | Year ended March 31,2020 |
|---|---|---|---|
| **Provisions** | | | |
| Others | 2.23 | | 0.11 |
| Total deferred tax Assets | 2.23 | | 0.11 |
| | | | |
| Net Deferred tax (Liabilities)/Assets | 17.83 | | 85.03 |

**Movement in Deferred tax Liabilities /Assets**

| | Property, plant and equipment | Other deferred tax liability | Provisions | Other Deferred Tax Assets | Deferred Tax Liabilities/Asset (Net) |
|---|---|---|---|---|---|
| As at 31st March, 2022 | 136.24 | 6.94 | 8.21 | 5.91 | 145.48 |
| (Charged)/Credited to profit and Loss account | 85.14 | (0.00) | - | 0.11 | 85.03 |
| As at 31st March, 2023 | 221.38 | 6.94 | 8.21 | 6.02 | 230.51 |
| (Charged)/Credited to profit and Loss account | 20.06 | - | - | 2.23 | 17.83 |
| As at 31st March, 2024 | 241.44 | 6.94 | 8.21 | 8.25 | 248.34 |

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

₹ in lakhs

| Tax Credits carried forward | | As at March 31,2024 | Expiry date | As at March 31,2023 | Expiry date |
|---|---|---|---|---|---|
| 2022-23 | | 50.82 | 31.03.2038 | 50.82 | 31.03.2038 |
| 2023-24 | | 14.10 | 31.03.2039 | | |

**Note 42**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due to further interest due and payable in the succeeding year.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

| **Information relating to the Micro, Small and Medium Enterprises** | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| (a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year: (i) Principal amount (ii) Interest | - | - |
| (b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | - | - |
| (c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | - | - |
| (d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| (e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

Note 43

**SEGMENT INFORMATION**

Segment information in accordance with Ind AS 108, 'Operating Segments', segment information has been given in the Consolidated Financial Statements of Sah Polymers Limited and therefore, no separate disclosure on segment information is given in the Standalone Financial Statements.

**Note 44**

The Company has elected not apply the Indian Accounting Standard (Ind AS) 116- Leases to account for those leases where underlying assets is of low value.

**Note 45**

Balances of banks, sundry debtors and trade payables , current liabilities etc. as on 31.03.2024 are subject to confirmation and reconciliation.

**Note 46**

In the opinion of the Management ,there is no impairment of assets in accordance with the Ind AS -36 as on the Balance Sheet date.

**Note 47**

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

**Note 48**

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

**Note 49**

These financial statements were approved for issue with a resolution of the Board of Directors on May 3, 2024.

**Note 50**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimal thereof as per the requirements of Schedule III to the Companies Act,2013, unless otherwise stated.

**Note 51**

Previous year's figures have been reclassified/regrouped wherever necessary to conform with the current Financial Statements.

**Note 52**

No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions ( Prohibition) Act,1988 and rules made thereunder.

**Note 53**

The Company has borrowings from banks on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

**Note 54**

The Company is not a declared wilful defaulter by any bank or financial institution or other lender.

**Note 55**

The Company has no transaction with companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act,1956.

**Note 56**

There is no charges or satisfaction yet to be registered with ROC beyond the statutory period.

**Note 57**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act,2013 read with the Companies (Restriction on number of Layers) Rules,2017.

**Note 58**

Ratios

| Particulars | Numerator/Denominator | As at 31st March 2024 | As at 31st March 2023 | Explanation for any change in ratio by more than 25% as compared to previous year |
|---|---|---|---|---|
| (a) Current ratio | Current assets/ Current Liabilities | 2.16 | 2.90 | Due to increase in current liabilities. |
| (b) Debt equity ratio | Total Debt/ Shareholder's Equity | 0.26 | 0.17 | Low margin |
| (c) Debt Service Coverage Ratio | Earning available for debt service/ Debt Service | 1.43 | 3.01 | Low margin and increase in debts |
| (d) Return on Equity Ratio | Net profit after taxes/ Average Shareholder's equity | 0.01 | 0.06 | Low margin and increase in shareholders' equity . |
| (e) Inventory turnover ratio | Sales/Average Inventory | 5.14 | 5.61 | Not required to comment. |
| (f) Trade Receivables turnover ratio | Net credit sales/ Average accounts Receivable | 6.45 | 7.24 | Not required to comment. |
| (g) Trade payables turnover ratio | Net Credit purchase/ Average Trade Payables | 8.84 | 7.48 | Not required to comment. |
| (h) Net capital turnover ratio | Net Sales/Working capital | 2.75 | 1.91 | Increase in current assets. |
| (i) Net profit ratio | Net profit/Net sales | 0.01 | 0.04 | Decrease in margin due to higher input cost. |
| (j) Return on Capital employed | Earning before interest and taxes /Capital Employed | 0.03 | 0.06 | Decrease in margin due to higher input cost. |
| (k) Return on investment | Income generated from investment/ Time weighted average investment | - | - | Not calculated as no investment was made for the purpose of earning returns. Investment was made for acquisition of business to the subsidiary company. |

**Note 59**

No Scheme of Arrangement has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act,2013.

**Note 60**

Utilisation of Borrowed funds and share premium :

(a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(is), including foreign entities (intermediaries) with the understanding ( whether recorded in writing or otherwise) the the Intermediary (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company(ultimate Beneficiaries ) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Company has not received any fund from any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding ( whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate Beneficiaries ) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**Note 61**

There is no transaction not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961. Further there is no previously unrecorded income and related assets requiring recording in the books of account during the year .

**Note 62**

The Company has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.

**Note 63**

Corporate Social Responsibility (CSR)

(₹ in lakhs)

| Particulars | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| (i) amount required to be spent by the company during the year | 7.25 | 4.91 |
| (ii) amount of expenditure incurred | 7.25 | 4.91 |
| (iii) shortfall at the end of the year | 0 | 0 |
| (iv) total of previous years shortfall | 0 | 0 |
| (v) reasons for shortfall | Not applicable | Not applicable |
| (vi) nature of CSR activities | | |
| (a) Construction/acquisition of any asset | - | - |
| (b) On purposes other than (a) above | | |
| Health | 0 | 0.66 |
| Education | 7.25 | 4.25 |
| | 7.25 | 4.91 |
| (vii) Details of related party transactions: Out of (i) above, ₹ 7.25 lakhs (Previous Year ₹ 4.25) contributed to Sir Foundation (formerly known as Taha Charitable Trust) which is related party. | | |
| (viii)The Company does not carry any provisions for corporate social responsibility expenses for the current year and the previous year. | | |

**Note 64**

The Company has done an assessment to identify Core Investment Company (CIC) [including CICs in the Group] as per the necessary guidelines of Reserve Bank of India [including Core Investment Companies (Reserve Bank) Directions, 2016]. The Company is not a CIC and no entities have been identified as CIC in the Group, of which Company is a part.

**Note 65**

Revenue from contract with customers differ from the revenue as per contracted price due to factors such as taxes recovered, volume rebate, discounts, etc.

**Note 66**

The Company has assets ( equipment etc.) with a lease term of 12 months or less. The Company applies the 'short term lease' recognition exemption for these leases. The Company also has certain leases of assets of low value. The Company applies 'low values lease' recognition exemption for these leases.

**Note 67**

The Company has neither long-term contracts nor derivatives as at March 31, 2024.

**Note 68**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**Note 69**

The Parliament of India has approved the Code on Social Security, 2020 (the Code) which may impact the contributions by the company towards provident fund, gratuity and ESIC. The Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. Final rules are yet to be notified. The company will assess the impact of the Code when it comes into effect and will record related impact, if any.

**Note 70**

Disclosures pursuant to section 186 (4) of the Companies Act, 2013

(i) for guarantee refer to note 36. Guarantee has been utilised by the recipient for business.

(ii) No security has been provided.

(iii) Details of the loans provided during the year are as under :

| Name of the borrower | Amount given during the year (₹ in lakhs) | Tenure | Rate of interest | Utilised |
|---|---|---|---|---|
| Fibcorp Polyweave Private Limited | 312.00(345) | Repayable on demand | 12% per annum | Business |

*figures in bracket represents previous year's figures.

**Note 71**

Loans Disclosures pursuant to the Regulation 34(3) read with para A of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 186 (4) of the Companies Act, 2013.

| Particulars | Purpose | Amount outstanding as at 31.03.2024 (₹ in lakhs) | Maximum Balance during the year (₹ in lakhs) |
|---|---|---|---|
| Subsidiary | | | |
| Fibcorp Polyweave Private Limited | working capital and operational purpose | 263 | 345 |

Notes:

Loans given to employees as per the policy of the Company are not considered.

The loanees did not hold any shares in the share capital of the Company.

**Note 72**

Maintenance of Books of account under Section 128 of the Companies Act, 2013 The Company has defined process to take daily back-up of books of account maintained electronically and complied with the provisions of The Companies (Accounts) Rules, 2014 (as amended).

**Note 73**

**Offsetting financial assets and liabilities**

The Company has not offset any financial asset and financial liability. It offsets a financial asset and a financial liability when it currently has a legal enforceable right to set-off the recognised amounts and it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**Collateral against borrowings**

The Company has hypothecated | mortgaged assets as collateral against a number of its sanctioned line of credit (Refer Note 18 & 20) for further information on assets hypothecated | mortgaged as security). In case of default as per borrowing arrangement, such collateral can be adjusted against the amounts due.

**Note 74**

During the financial year 2022-2023, the Company raised ₹ 6830 lakhs by way of the initial public offer. Details of amount utilised out of the un-utilised amount during the year are as under : (₹ in lakhs)

| Nature of the fund raised | Purpose for which funds were raised | opening un-utilized balance | Amount utilized for the | Unutilized balance as at Balance sheet date | Remark |
|---|---|---|---|---|---|
| Initial Public Offer | Setting up of a new manufacturing facility to manufacture new variant | 405.02 | 0 | 405.02 | Project is over. No further amount is to be |
| | General corporate purposes | 1250.47 | 379.32 | 871.15 | - |
| | Issue related expenses | 10.01 | 0 | 10.01 | No amount is outstanding and payable |

Pending utilisation, the Company has temporarily invested the unutilised amount as on March 31,2024, in fixed deposits with the scheduled commercial bank.

**Note 75**

Dividend on equity shares

Dividend on equity shares declared and paid during the year:

| Particulars | As at March 31, 2024 (₹ in lakhs) | As at March 31, 2023 (₹ in lakhs) |
|---|---|---|
| Final dividend of ₹ 0.50 per share for the year 2022-23 (2021-22- ₹ NIL) | 128.98 | 0.00 |
| Total | 128.98 | 0.00 |

Note:

The Company declares and pays dividend in Indian rupees. Companies are required to pay | distribute dividend after deducting applicable withholding income taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

As per our Audit report of even date attached.

for and on behalf of
H.R. JAIN & CO.,
Chartered Accountants
FRN : 000262C

Manoj Jain
Partner
M.No. 400459
Udaipur, May 3,2024

H.R. JAIN & CO. CHARTERED ACCOUNTANTS

for and on behalf of the Board

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

LALIT KUMAR BOLIA
Chief Financial Officer

MURTAZA ALI MOTI
Wholetime Director
DIN : 07876224

RUNEL SAXENA
Company Secretary
M.No. 28022

**INDEPENDENT AUDITOR'S REPORT**

**Report on the Audit of the Consolidated Financial Statements**

**To the Members of Sah Polymers Limited**

**Opinion**

We have audited the accompanying consolidated financial statements of **Sah Polymers Limited** (hereinafter referred to as the 'Holding Company") and its subsidiary Company – **Fibcorp Polyweave Private Limited** (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2024, and the consolidated statement of Profit and Loss, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, the consolidated Profit and consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

On the facts and circumstances of the Group and the audit, we determine that there are no key Audit matters to communicate.

**Other Information**

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless

management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matters**

(a) We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of ₹ 1285.54 lakhs (before consolidated adjustments) as at 31st March, 2024 total revenues of ₹ 3324.07 lakhs (before consolidated adjustments) and net cash inflows (before consolidated adjustments) amounting to ₹ 40.52 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated

financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

**Report on Other Legal and Regulatory Requirements As required by Section 143(3) of the Act, we report, to the extent applicable, that:**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.

2.(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure- "B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) There were no pending litigations which would impact the consolidated financial position of the Group.

(ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

(iv) (a) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, has represented to us and to the other auditors of such subsidiaries, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its subsidiary company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company and its subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, has represented to us and to the other auditors of such subsidiaries that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Holding Company and its subsidiary company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its subsidiary company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our attention or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (a) and (b) above, contain any material misstatement.

(v) During the year the Holding Company and its subsidiary company have neither paid or declared any dividend requiring compliance with Section 123 of the Act.

(vi) Based on our examination which included test checks and that performed by the auditors of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, the company and subsidiary have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and the auditors of the above referred subsidiary did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company and above referred subsidiary as per the statutory requirements for record retention.

**For H R JAIN & CO.,**
**Chartered Accountants**
**Firm's Registration No. 000262C**




**Manoj Jain**
**Partner**
**Place of signature: Udaipur**
**Membership No.: 400459**
**Date: May 03, 2024**
**ICAI UDIN:** 24400459BKEMVI1160

**Annexure - A to the Independent Auditor's Report (Referred to in paragraph 8 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

In terms of the information and explanations sought by us and given by the Company and to the best of our knowledge and belief, we state that:

(i) There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

**For H R JAIN & CO.,**
**Chartered Accountants**
**Firm's Registration No. 000262C**




**Manoj Jain**
**Partner**
**Place of signature: Udaipur**
**Membership No.: 400459**
**Date: May 03, 2024**
**ICAI UDIN** 24400459BKEMVI1160

**Annexure - B to the Independent Auditor's Report**

**(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Report on the Internal Financial Controls with reference to Financial Statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2024, we have audited the internal financial controls over financial reporting of **Sah Polymers Limited** (hereinafter referred to as "the Parent") and its subsidiary company – **Fibcorp Polyweave Private Limited**, which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Boards of Directors of the Parent, its subsidiary companies and , its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

310-313, Arihant Plaza, Near State Bank of India, Udiyapole, Udaipur-313001
: 97853 90875 : hrjainca@gmail.com

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company, which is incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

**For H R JAIN & CO.,**
**Chartered Accountants**
**Firm's Registration No. 000262C**

**Manoj Jain**
**Partner**
**Place of signature: Udaipur**
**Membership No.: 400459**
**Date: May 03,2024**
**ICAI UDIN:** 24400459BKEMVI1160

SAH POLYMERS LIMITED

CONSOLIDATED BALANCE SHEET

(₹ in lakhs)

| Particulars | Note | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|---|
| ASSETS | | | | | |
| (1) Non-current assets | | | | | |
| (a) Property, Plant and Equipment | 3 | | 4,801.05 | | 4,426.38 |
| (b) Capital work-in- Progress | 3 | | 52.04 | | 92.97 |
| (c) Investment Property | | | | | |
| (d) Goodwill | | | 307.81 | | 307.81 |
| (e) Other Intangible Assets | 3 | | 1.59 | | 0.52 |
| (f) Intangible assets under development | | | | | |
| (g) Biological Assets other than bearer plants | | | | | |
| (h) Financial Assets | | | - | | - |
| (i) Investments | | | | | |
| (ii) Trade receivables | | | | | |
| (iii) Loans | 4 | 1.34 | | 1.97 | |
| (iv) Others | 5 | 234.94 | 236.28 | 209.23 | 211.20 |
| (i) Deferred tax assets (net) | | | | | |
| (j) Other non-current assets | 6 | | 5.68 | | 5.68 |
| (2) Current assets | | | | | |
| (a) Inventories | 7 | | 2,960.27 | | 2,551.36 |
| (b) Financial Assets | | | | | |
| (i) Investments | | | | | |
| (ii) Trade receivables | 8 | 2,203.22 | | 1,614.37 | |
| (iii) Cash and cash equivalents | 9 | 728.59 | | 1,061.34 | |
| (iv) Bank balances other than (iii) above | 10 | 540.68 | | 1,013.80 | |
| (v) Loans | 11 | 745.91 | | 840.73 | |
| (vi) Others | 12 | 5.24 | 4,223.64 | 6.96 | 4,537.20 |
| (c) Current Tax Assets (Net) | 13 | | 13.28 | | - |
| (d) Other current assets | 14 | | 517.90 | | 482.72 |
| Total Assets | | | 13,149.54 | | 12,615.85 |
| EQUITY | | | | | |
| (a) Equity Share Capital | 15 | 2,579.60 | | 2,579.60 | |
| (b) Other Equity | | - | | - | |
| Equity attributable to the owner of the parent | 16 | 5,819.55 | | 5,883.88 | |
| Non- controlling Interest | | 307.52 | 8,706.67 | 294.70 | 8,758.18 |
| LIABILITIES | | | | | |
| (1) Non-current liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | 17 | 713.00 | | 845.58 | |
| (ia) Lease liabilities | | | | | |
| (ii) Trade payables | | | | | |
| (iii) Other financial liabilities(other than those specified in item (b) ) | | | 713.00 | | 845.58 |
| (b) Provisions | | | | | |
| (c) Deferred tax liabilities (Net) | 18 | | 181.43 | | 168.18 |
| (d) Other non-current liabilities | | | | | |
| (2) Current liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | 19 | 2,346.19 | | 1,659.21 | |
| (ia) Lease liabilities | | | | | |
| (ii) Trade payables : | 20 | | | | |
| (A)Total outstanding dues of micro enterprises and small enterprises | | | | | |
| (B)Total outstanding dues of creditors other than micro enterprises and small enterprises | | 882.39 | | 813.07 | |
| (iii) Other financial liabilities(other than those specified in item(c) | 21 | 2.68 | 3,231.27 | 2.10 | 2,474.38 |
| (d) Other current liabilities | 22 | | 279.15 | | 287.45 |
| (e) Provisions | 23 | | 33.80 | | 14.81 |
| (d) Current Tax Liabilities (Net) | 24 | | 4.22 | | 67.27 |
| Total Equity and Liabilities | | | 13,149.54 | | 12,615.85 |
| See accompanying notes to the financial statements | 1 to 74 | | - | | - |

As per our Audit report of even date attached.

for and on behalf of
**H.R. JAIN & CO.,**
Chartered Accountants
FRN : 000182C

Manoj Jain
Partner
M.No. 400459
Udaipur. May 3,2024

UDIN: 24400459BKEMVI1160

for and on behalf of the Board

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

MURTAZA ALI MOTI
Wholetime Director
DIN : 07876224

LALIT KUMAR BOLIA
Chief Financial Officer

RUNEL SAXENA
Company Secretary
M.No.A28022

## SAH POLYMERS LIMITED

### CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(Rs in lakhs)

| | Particulars | Note no. | As on 31.03.2024 | | As on 31.03.2023 | |
|---|---|---|---|---|---|---|
| | | | Amount in Rupees | | Amount in Rupees | |
| I | Revenue from operations | 25 | | 10,918.86 | | 9,519.92 |
| II | Other income | 26 | | 392.81 | | 181.70 |
| III | Total Income (I+II) | | | 11,311.67 | | 9,721.62 |
| IV | Expenses : | | | | | |
| | Cost of Materials consumed | 27 | | 6,343.26 | | 5,691.30 |
| | Purchases of Stock-in-Trade | 28 | | 779.80 | | 630.73 |
| | Changes in inventories of finished goods work-in-progress and Stock -in-Trade | 29 | | (570.09) | | (387.28) |
| | Employee benefits expense | 30 | | 766.56 | | 643.68 |
| | Finance costs | 31 | | 325.86 | | 222.06 |
| | Depreciation and amortization expense | 3 | | 238.86 | | 140.33 |
| | Other expenses | 32 | | 3,131.98 | | 2,668.20 |
| | Total expenses | | | 11,016.23 | | 9,209.22 |
| V | Profit/(Loss) before share of profit /(loss)of an associate& joint ventures and exceptional items(IV-V) | | | 135.44 | | 512.40 |
| VI | Share of Profit /(loss) of an associate | | | - | | - |
| VII | Profit/(loss) before exceptional items and tax (V-VI) | | | 135.44 | | 512.40 |
| VIII | Exceptional items | | | - | | - |
| IX | Profit/(loss) before tax (VII-VIII) | | | 135.44 | | 512.40 |
| X | Tax expense : | | | | | |
| | (1) Current tax | | 31.98 | | 106.35 | |
| | Less - MAT Credit | | 14.10 | | 50.82 | |
| | | | 17.88 | | 55.53 | |
| | 2 Prior period Income tax | | - | | 0.56 | |
| | (3) Deferred tax | | 25.05 | 42.93 | 80.45 | 156.54 |
| XI | Profit/(Loss)for the period from continuing operation (IX-X) | | | 92.51 | | 376.06 |
| XII | Profit/(Loss) from discontinued operations | | | | | |
| XIII | Tax expense of discontinued operations | | | | | |
| XIV | Profit/(loss) from discontinued operation (after tax) (XII-XIII) | | | | | |
| XV | Profit/(loss) for the period (XV+XVI) | | - | 92.51 | - | 376.06 |
| | Attributable to | iii | | | | |
| | Owners of the company | | - | 79.69 | - | 341.52 |
| | (b) Non-controlling interest | | | 12.82 | | 34.54 |
| XVI | Other Comprehensive Income | | | | | |
| | A(i) item that will not be reclassified to profit or loss | | | | | |
| | Equity Instruments through Other Comprehensive income | | | | | |
| | (ii) Income tax relating to item that will not be reclassified to profit or loss | | | | | |
| | (iii) Exchange difference on translation of Financial statement of Foreign operation | | | | | |
| | B(i) item that will not be reclassified to profit or loss | | | | | |
| | (ii) Income tax relating to item that will not be reclassified to profit or loss | | | | | |
| XVII | Total Comprehensive Income for the period (XV+XVI) ( Comprising profit (loss) and other Comprehensive Income for the period ) | | - | 92.51 | - | 376.06 |
| | Attributable to | iii | | | | |
| | Owners of the parent | | - | 79.69 | - | 341.52 |
| | (b) Non-controlling interests | | | 12.82 | | 34.54 |
| | Of the total comprehensive income above, | | | | | |
| | Profit for the year attributable to : | | | | | |
| | Owners of the parent | | | 79.69 | | 341.52 |
| | Non-controlling interests | | | 12.82 | | 34.54 |
| | Of the total comprehensive income above, | | | | | |
| | Other comprehensive income attributable to : | | | | | |
| | Owners of the parent | | | - | | - |
| | Non-controlling interests | | | - | | - |
| XVIII | Earnings per equity share(for continued Operation) | | | | | |
| | (1) Basic | 34 | | 0.36 | | 2.10 |
| | (2) Diluted | 34 | | 0.36 | | 2.10 |
| XIX | Earnings per equity share (for discontinued Operation) | | | | | |
| | (1) Basic | | | | | |
| | (2) Diluted | | | | | |
| XX | Earnings per equity share (for discontinued & continuing operations) | | | | | |
| | (1) Basic | 34 | | 0.36 | | 2.10 |
| | (2) Diluted | 34 | | 0.36 | | 2.10 |

See accompanying notes to the financial statements 1 to 74

As per our Audit report of even date attached

for and on behalf of
H.R. JAIN & CO.,
Chartered Accountants
FRN : 000265C

Manoj Jain
Partner
M.No. 400459
Udaipur. May 3 2024
UDIN: 24400459BKEMVI1160

for and on behalf of the Board

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

MURTAZA ALI MOTI
Wholetime Director
DIN : 07276224

LALIT KUMAR BOLIA
Chief Financial Officer

SUNIL SAXENA
Company Secretary
M No A28022

SAH POLYMERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March,2024 (₹ in lakhs)

| Sr. No. | Particulars | Year ended 31.03.2024 | Year ended 31.03.2023 |
|---|---|---|---|
| A | **Cash Flow from Operating Activities** | | |
| | Net Profit before tax | 133.44 | 512.40 |
| | Adjustments for: | | |
| | Depreciation | 238.86 | 140.33 |
| | Interest Paid | 310.84 | 203.21 |
| | Interest received | (122.07) | (31.75) |
| | Unrealised Foreign exchange fluctuation on conversion | (29.57) | (24.31) |
| | Balances written off | - | (3.20) |
| | (Profit)/Loss on sale of property, plant and equipment | (0.21) | - |
| | provisions for gratuity and Leave encashment | 18.99 | 14.81 |
| | **Operating Profit before working capital changes** | **551.28** | **811.49** |
| | Adjustment for Changes in Working Capital: | | |
| | Decrease/(Increase) in Trade Receivables | (559.28) | (201.28) |
| | Increase/(decrease ) in other current liabilities | (8.50) | 156.66 |
| | Increase in financial liabilities | 0.59 | (0.36) |
| | Increase in Loan | 95.45 | (157.48) |
| | Other bank Balances | 473.12 | (1,030.77) |
| | Increase/(Decrease) in Trade Payables | 69.32 | 27.67 |
| | Increase in other non current assets | - | 142.14 |
| | Non Current Financial assets | (25.71) | (66.16) |
| | Current Financial assets | 1.72 | 5.31 |
| | Increase in other current assets | (35.17) | (261.23) |
| | Increase in tax assets | (13.28) | 3.41 |
| | (Decrease)/(Increase) in Stock | (438.92) | (992.02) |
| | **Cash Generated from Operations** | 111.82 | (1,562.62) |
| | Income Taxes Refund / (Paid) | 92.72 | 155.77 |
| | **Net Cash Inflow /(Out Flow) from Operation (A)** | 19.10 | (1,698.39) |
| B | **Cash Flow from Investing Activities:** | | |
| | Sale of fixed assets | 4.43 | 3.69 |
| | Purchase of Property ,plant and equipment and Capital Work-In-progress | (577.89) | (2,435.99) |
| | Interest received | 122.07 | 31.75 |
| | **Net Cash Inflow/(Outflow) from investing Activities (B)** | (451.39) | (2,400.55) |
| C | **Cash flow from Financing Activities** | | |
| | Repayment of borrowings | (110.12) | (1,843.71) |
| | Increase in borrowing | 17.00 | 892.25 |
| | Amalgamation Expenses | (15.04) | - |
| | Dividend | (128.98) | - |
| | Share capital | - | 1,020.00 |
| | Securities premium | - | 5,610.00 |
| | Capital issue expenses | - | (912.69) |
| | Interest Paid | (310.84) | (203.21) |
| | **Net Cash Inflow /(Out Flow) from Financing Activities (C)** | (547.88) | 4,560.64 |
| | **Net Increase/Decrease in cash & Cash equivalents (A+B+C)** | (980.27) | 461.70 |
| | **CASH AND CASH EQUIVALENTS** | | |
| | **As at the beginning of the year (Refer Note 9)** | 1,061.34 | 189.78 |
| | **Less : Cash Credit** | 1,123.59 | 713.73 |
| | **As at the end of the year (Refer Note 9)** | 728.59 | 1,061.34 |
| | **Less : Cash Credit** | 1,771.11 | 1,123.59 |
| | **Net Increase/Decrease in cash & Cash equivalents** | (980.27) | 461.70 |
| | | 0.00 | 0.00 |

| | Year ended 31.03.2024 | Year ended 31.03.2023 |
|---|---|---|
| 1. Cash and cash equivalents as per above comprise of the following: | | |
| Cash on hand | 5.87 | 5.57 |
| Balances with scheduled banks: | | |
| -On current accounts | 169.64 | 45.53 |
| -On deposit accounts | 555.08 | 1,010.24 |
| (deposits having an original maturity of 3 months or less ) | | |
| Cash and cash equivalent as per note | 728.59 | 1,061.34 |

II. The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013.

The notes 1 to 74 form an integral part of the financial statements

This is the Statement of Cash Flows referred to in our report of even date.

for and on behalf of
**H.R. JAIN & CO.,**
Chartered Accountants
FRN : 000262C

Manoj Jain
Partner
M.No. 400459
Udaipur, May 3,2024

H.R. JAIN & CO. CHARTERED ACCOUNTANTS

for and on behalf of the Board

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 06119156

MURTAZA ALI MOTI
Wholetime Director
DIN : 07876224

LALIT KUMAR BOLIA
Chief Financial Officer

RUNEL SAXENA
Company Secretary
M.No. A28022

Notes to the Consolidated Financial Statements

**Note 1: Company Information**

Sah Polymers Limited (SPL)- parent - is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act,1956. The Registered Office of the SPL is situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003.

SPL is engaged in the manufacture of HDPE/PP woven fabrics and sacks . The manufacturing capacities are situated at Udaipur (Rajasthan). The fabrics and sacks find applications in the packing of cement, minerals, food grains etc.

**2. Significant Accounting Policies**

**Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

**Basis of Preparation**

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

**Basis of Consolidation**

The Consolidated Financial Statements (CFS) include the financial statements of the Company and its subsidiaries.

Subsidiary is entity controlled by the Group.

Control and significant influence is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights (usually contractual) enjoyed by the Group in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Group's returns from its investment. Such assessment requires the exercise of judgement and is disclosed by way of a note to the Financial Statements. The Group is considered not to be in control of entities where it is unclear as to whether it enjoys such power over the investee.

The assets, liabilities, income and expenses of subsidiary are aggregated and consolidated, line by line, from the date control is acquired by any Group entity to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners. The excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the CFS. On disposal of the subsidiary, attributable amount on goodwill is included in the determination of the profit or loss and recognised in the Statement of Profit and Loss.

Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or a group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

**Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**Property, Plant and Equipment – Tangible Assets**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP. Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Group are as follows:

| | |
|---|---|
| Buildings | 30 Years |
| Plant and Equipment | 7 – 25 Years |
| Furniture and Fixtures | 8 – 10 Years |
| Vehicles | 8 – 10 Years |
| Office Equipment | 5 Years |

No write off is made in respect of leasehold land.

| | |
|---|---|
| Non Tangible assts | 5 years |

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

**Goodwill on Consolidation**

Goodwill arising on consolidation is stated at cost less impairment losses, where applicable. On disposal of a subsidiary, attributable amount of goodwill is included in the determination of the profit or loss recognised in the Statement of Profit and Loss. On acquisition of an associate, the goodwill / capital reserve arising from such acquisition is included in the carrying amount of the investment and also disclosed separately.

Impairment loss, if any, to the extent the carrying amount exceed the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes.

Intangible Assets

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially

a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant

b. for separately acquired assets, at cost comprising the purchase price (including import duties and nonrefundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets.

The carrying value of intangible assets includes deemed cost which represents the carrying value of intangible assets recognised as at 1st April, 2016 measured as per the previous GAAP.

Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss.

Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses. The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

**Impairment of Assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

**Inventories**

Inventories (other than harvested product of biological assets) are stated at cost and net realisable value, whichever is lower. Cost is determined on periodic moving weighted average basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to effect the sale.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

Due allowances are made for slow / non-moving, defective and obsolete inventories based on estimates made by the Company.

Items such as spare parts, stand-by equipment and servicing equipment that are not plant and machinery get classified as inventory.

**Foreign Currency Transactions**

The presentation currency of the Group is Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

Exchange differences arising on monetary items that, in substance, form part of the Group's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in foreign currency translation reserve.

For the preparation of the consolidated financial statements:

(a) assets and liabilities of foreign operations, together with goodwill and fair value adjustments assumed on acquisition thereof, are translated to Indian Rupees at exchange rates prevailing at the reporting period end;

(b) income and expense items are translated at the average exchange rates prevailing during the period, when exchange rates fluctuate significantly the rates prevailing on the transaction date are used instead.

Differences arising on such translation are accumulated in foreign currency translation reserve and attributed to non-controlling interests proportionately.

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group is reclassified to the Statement of Profit and Loss. In relation to a partial disposal, that does not result in losing control over the subsidiary, the proportionate exchange differences accumulated in equity is reclassified to the Statement of Profit and Loss.

**Financial Instruments, Financial assets, Financial liabilities and Equity instruments**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

**Financial Assets**

**Recognition:**

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification:

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

**Impairment:**

The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**Reclassification**: When and only when the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

**De-recognition:** Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**Income Recognition:**

Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

**Financial Liabilities**

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

**Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**Equity Instruments**

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

**Revenue**

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods includes excise and other duties which the Group pays as a principal but excludes amounts collected on behalf of third parties, such as sales tax and value added tax.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

**Government Grant**

The Group may receive government grants that require compliance with certain conditions related to the Group's operating activities or are provided to the Group by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Group will comply with the conditions attached to the grant. Accordingly, government grants:

(a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.

(b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.

(c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

**Employee Benefits**

i) Short-term Employee benefits Liabilities for wages and salaries including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognised as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

iii) Post-Employment Benefits Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Statement of Profit and Loss as they fall due.

Defined Benefit Plans

Gratuity Fund

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/ termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 or as per the Company's scheme whichever is more beneficial to the employees.

**Provident Fund**

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

iv) Other Long Term Employee Benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method.

Re-measurements are recognised in profit or loss in the period in which they arise. Actuarial gains and losses in respect of such benefits are charged to Statement of Profit and Loss in the period in which they arise.

**Leases**

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

**Group as a Lessee**

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**Group as a Lessor**

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Group is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

**Taxes on Income**

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

**Claims**

Claims against the Group not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

**Provisions**

Provisions are recognized when, as a result of a past event, the Group has a legal or constructive obligation, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

**Operating Segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements. Inter-segment revenue is reported on the basis of transactions which are primarily market led. Segment results represent profits before finance charges, unallocated corporate expenses and taxes.

"Unallocated Corporate Expenses" include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole and are not attributable to segments.

**Financial and Management Information Systems**

The Group's Accounting System is designed to comply with the relevant provisions of the Companies Act, 2013, to provide financial information appropriate to the businesses and facilitate Internal Control.

**Use of estimates and judgements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**A. Judgements in applying accounting policies**

The following are the judgements, apart from those involving estimations (see note below), that the Group have made in the process of applying the accounting policies and that have a significant effect on the amounts recognised in the consolidated financial statements:

1. Control:

The Group assessed whether or not it has control on its investees based on whether, as an investor, it has the power/rights and consequently the practical ability to direct the relevant activities of its investees unilaterally. In making this judgement, the Group considered the absolute size of its holding, the relative size of and dispersion of other shareholders, and whether any contractual arrangements exist between the Company (and its subsidiaries) and other shareholders of the investees. Based on this, and in accordance with its Accounting Policy, the Group has determined that the entities listed in the notes to the financial statements are the only entities over which Group has control.

2. Significant influence:

The Group assessed whether or not it has significant influence on its investees based on its practical ability to participate in the financial and operating policy decisions of the investee, though it is not in control of these policies. Based on such assessment, the Group determined that the entities listed in the notes to the financial statements are the only entities over which the Group has significant influence.

3. Useful life of Intangible Assets:

The Group is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement.

**B. Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1. Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

2. Fair value measurements and valuation processes:

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

3. Actuarial Valuation:

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

4. Claims, Provisions and Contingent Liabilities:

In respect of litigations where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

SAH POLYMERS LIMITED

"STATEMENT OF CHANGES IN EQUITY
Name of the Company - SAH POLYMERS LIMITED
A. Equity Share Capital
**(1) Current reporting period**

(₹ In lakhs)

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current y | Balance at the end of the current reporting period |
|---|---|---|---|---|
| | | | | |
| 2,579.60 | - | - | - | 2579.60 |
| | | | | |

**(2) Previous reporting period:**

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current y | Balance at the end of the current reporting period |
|---|---|---|---|---|
| | | | | |
| 1,559.60 | - | - | 1,020.00 | 2579.60 |
| | | | | |

b) Other equity

| | Reserves & Surplus | | | | | Attributable to owners of the parent | non-controlling interest |
|---|---|---|---|---|---|---|---|
| | Capital Reserve | Securities premium | Amalgamation Expenses | Retained earnings | Capital issue Expenses | | |
| **Balance at the end of the reporting period -31.03.2022** | 79.75 | 280.00 | - | 809.73 | (24.43) | 845.05 | 260.16 |
| Profit for the year | - | - | - | 341.52 | - | 341.05 | 34.54 |
| Capital issue expenses | - | - | - | - | (912.69) | (912.69) | - |
| Less:- Capital issue expenses | - | (927.12) | - | - | 937.12 | - | - |
| Other comprehensive income | - | - | - | - | - | - | - |
| Amount received against share warrants | - | - | - | - | - | - | - |
| On issue of Equity Share | | 5,610.00 | | | | 5,610.00 | |
| **Balance at the end of the reporting period - 31.03.2023** | 79.75 | 4,962.88 | - | 831.25 | - | 5,883.42 | 294.70 |
| Profit for the year | - | - | - | 70.69 | - | 79.69 | (2.82 |
| Other comprehensive income | - | - | - | - | - | - | - |
| Amalgamation Expenses | - | | (15.04) | | - | (15.04) | |
| Total Comprehensive income for the year | - | - | - | - | - | - | - |
| Dividends | - | - | | (128.98) | | (128.98) | - |
| **Balance at the end of the reporting period - 31.03.2024** | 79.75 | 4,962.88 | (15.04) | 601.96 | - | 5,819.09 | 307.52 |

As per our Report Attached

for and on behalf of
**H.R. JAIN & CO.,**
Chartered Accountants
FRN : 000262C

Manoj Jain
Partner
M.No. 400459
Udaipur, May 03, 2024

Signatures to the Financial Statements and Notes

H.R. JAIN & CO. CHARTERED ACCOUNTANTS

HAKIM SADIQ ALI TIDIWALA
Wholetime Director
DIN : 00119156

MURTAZA ALI MDTI
Wholetime Director
DIN : 07976224

LALIT KUMAR BOLIA
Chief Financial Officer

RUNEL SAXENA
Company Secretary
M.No. A28022

NOTES FORMING PART OF THE CONSOLIDATED STATEMENT

(₹ in Lakhs)

Note 6

| FINANCIAL LOAN NON -CURRENT | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| (Unsecured ,Considered good) | | | | |
| (a) Loan Receivables considered good- secured | | - | | - |
| (b) Loan Receivables considered good- unsecured | | 1.34 | | 1.97 |
| (c) Loan Receivables which have significant increase in credit risk | | - | | - |
| (d) Trade Receivables- credit impaired | | - | | - |
| | | 1.34 | | 1.97 |
| Less: Allowance for doubtful loans | | - | | - |
| | | 1.34 | | 1.97 |

Note 5

| OTHER NON- CURRENT FINANCIAL ASSETS | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| Bank Deposit with more than 12 months maturity* | | 70.98 | | 76.19 |
| Security Deposits | | 163.96 | | 133.04 |
| | | 234.94 | | 209.23 |

*includes accrued interest ₹ 0.98 lakhs (pr. yr. ₹ 2.70 lakhs). Out of this deposit ₹ 70.98 lakhs (pr. yr. ₹ 76.19 lakhs) lienod with UCO Bank against Bank Guarantee.

Note 6

| OTHER NON-CURRENT ASSETS | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| Capital Advances | | 0.65 | | 0.65 |
| Advances other than capital advances : | | | | |
| Security Deposit | | | | |
| -With Statutory Authorities | | 0.92 | | 0.92 |
| -Other | | 4.11 | | 4.11 |
| | | 5.68 | | 5.68 |

Note 7

| INVENTORIES | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| At lower of cost and net realisable value | | | | |
| Raw material | | 520.89 | | 798.42 |
| Work in -progress | | 1,715.36 | | 1,090.40 |
| Finished Goods | | 652.68 | | 557.95 |
| Stores and Spares | | 248.49 | | 162.99 |
| Printing Ink | | 51.45 | | 31.60 |
| | | 3,190.27 | | 2,551.36 |

Note 8

| TRADE RECEIVABLE | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| (a) Trade Receivables considered good- secured | | - | | - |
| (b) Trade Receivables considered good- unsecured | | 2,203.23 | | 1,814.37 |
| (c)Trade Receivables which have significant increase in Credit | | - | | - |
| (d) Trade Receivables -Credit impaired | | - | | - |
| | | 2,203.23 | | 1,814.37 |
| Less: Allowance for doubtful receivables | | - | | - |
| | | 2,203.23 | | 1,814.37 |

Note 8.1 :No trade receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies in which any director is a partner, a director or a member, other than dues from related parties disclosed as mentioned in note 38.

Trade receivables ageing schedule as at 31st March, 2024

(₹in lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 1,983.81 | 46.84 | 35.82 | - | 136.76 | 2,203.23 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables- which have significant increase in credit risk | - | - | - | - | - | - |
| Total | 1,983.81 | 46.84 | 35.82 | - | 136.76 | 2,203.23 |

Trade receivables ageing schedule as at 31st March, 2023

(₹in lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 1,411.59 | 66.02 | - | - | 136.76 | 1,614.37 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables- which have significant increase in credit risk | - | - | - | - | - | - |
| Total | 1,411.59 | 66.02 | - | - | 136.76 | 1,614.37 |

Note 9

| CASH AND CASH EQUIVALENTS | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| (a) Balances with banks: | | | | |
| (i) on Current Account | | 169.04 | | 45.53 |
| (ii) on Fixed Deposit with maturity less three months * | | 555.08 | | 1,010.24 |
| | | 724.72 | | 1,055.77 |
| b) Cash on hand | | 3.87 | | 5.57 |
| | | 728.59 | | 1,061.34 |

There are no repatriation restrictions with respect to cash and cash equivalents as at the end of the reporting period and prior period.
*includes accrued interest ₹ 2.10 lakhi (previous year ₹ 10.24 lakhs)

Note 10

| OTHER BANK BALANCES | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| Deposit with more than 3 months and remaining maturity period less than 12 months from the date of the balance sheet * | | 540.68 | | 1,013.80 |
| | | 540.68 | | 1,013.80 |

*includes accrued interest ₹ 6.17 lakhs (previous year ₹ 10.70 lakhs)

Note 11

| LOANS (CURRENT) | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| (a) Loan Receivables considered good- secured | | - | | - |
| (b) Loan Receivables considered good- unsecured | | 745.91 | | 840.73 |
| (c) Loan Receivables which have significant increase in credit risk | | - | | - |
| (d) Trade Receivables- credit impaired | | - | | - |
| | | 745.91 | | 840.73 |
| Less: Allowance for doubtful loans | | - | | - |
| | | 745.91 | | 840.73 |

Note 11.1 : No loans are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member, other than dues from related parties disclosed as mentioned in note 38.

No loans and advances are due from directors or other officers and related party of the Company.

Loans or advances in the nature of loans granted to promoters, directors , KMPS and the related parties
(a)Repayable on demand or (b) without specifying terms of period of repayment

| Type of Borrower ——> | Promoters | | Directors | KMPs | Total |
|---|---|---|---|---|---|
| Amount of loan or advance in the nature of outstanding | 0 | (0) | 0 (0) | 1.85 (2.50) | 1.85 (2.50) |
| Percentage to the total Loans & Advances in the nature of Loans | 0 | (0) | 0 (0) | 0.18 (0.21) | 0.18(0.21) |

*amount in bracket represents previous year's figures .

Note 12

| OTHER- CURRENT FINANCIAL ASSETS | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| -Interest accrued on loan, deposit etc. | | 5.24 | | 6.96 |
| | | 5.24 | | 6.96 |

Note 13

| CURRENT TAX ASSETS | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| Income tax Refund | | 13.28 | | - |
| | | 13.28 | | - |

Note 14

| OTHER CURRENT ASSETS | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| Advances other than capital advances : | | | | |
| Other advances : | | | | |
| -advance against expenses | | 49.03 | | 21.50 |
| -Statutory authorities employees, pre-paid expenses etc. | | 136.08 | | 387.72 |
| - Other advances | | 151.21 | | - |
| -Other receivables | | 187.58 | | 73.51 |
| | | 517.90 | | 482.73 |

Note 15

| SHARE CAPITAL : | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| Authorised : | | | | |
| 3,00,00,000 Equity Shares of ₹10/- each | | 3,000.00 | | 3,000.00 |
| | | 3,000.00 | | 3,000.00 |
| Issued, subscribed and fully paid | | | | |
| 25796000(pr. yr. 25796000) Equity Shares of ₹10/- each fully paid up | | 2,579.60 | | 2,579.60 |
| | | 2,579.60 | | 2,579.60 |

| Reconciliation of number of shares : | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| Face value per share (₹) | | 10 | | 10 |
| Number of Equity Shares outstanding at the beginning of the reporting period | | 25,796,000 | | 15,396,000 |
| No. of Equity Shares issued during the year | | - | | 10,200,000 |
| | | 25,796,000 | | 25,796,000 |
| Less : Deduction during the year | | - | | - |
| Number of Equity Shares outstanding at the end of the reporting period | | 25,796,000 | | 25,796,000 |

| Name of the shareholders holding more than 5% shares in the company | | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|---|
| Name of shareholder | Class | No. of shares | % | No. of shares | % |
| Sat Industries Limited and nominees | Equity | 14316000 | 55.50 | 14316000 | 91.79 |

| Shares held by promoters at the end of the year | | | |
|---|---|---|---|
| Promoter name | No.of shares | % of total shares | % change during the year |
| Sat Industries Limited including shares held by nominees | 14316000 (14316000) | 55.50 (55.50) | 0 |
| Total | 14316000 (14316000) | 55.50 (55.50) | 0 |

Figures in bracket represent previous year figures

* Considered as per the information filed by the Company with stock exchanges for the year ended March 31, 2024 and Annual return filed by the Company for the year ended March

| Shares held by holding Company | | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|---|
| Name of holding Company | Class | No.of shares | % Holding | No.of shares | % Holding |
| Sat Industries Limited and nominees | Equity | 14316000 | 55.50 | 14316000 | 91.79 |

The Parent has only one class of equity shares having face value of ₹ 10/- each. The holder of the equity share is entitled to dividend right and voting right in the same proportion as the capital paid-up on such equity share bears to the total paid-up equity share capital of the Parent. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Parent , the holders of equity shares will be entitled to receive the remaining assets of the Parent in the same proportion as the capital paid-up on the equity shares held by them bears to the total paid-up equity share capital of the Parent.

The Parent Company has not allotted any shares pursuant to contract without payment being received in cash.

There are no call unpaid on equity shares.

No shares have been reserved for issue on option.

No equity shares have been forfeited.

Note 16

OTHER EQUITY

| Particulars | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| **1.SECURITIES PREMIUM** | | | |
| As per the last year accounts | 4,952.88 | | 280.00 |
| Add: Addition during the year | - | | 5,610.00 |
| Less:- Transferred from Capital Issue Expenses* | - | | (937.12) |
| | 4,952.88 | | 4,952.88 |
| **2.GENERAL RESERVE** | | | |
| As per the last year accounts | 79.75 | | 79.75 |
| **3.CAPITAL ISSUE EXPENSES** | | | |
| As per the last year accounts | - | | (24.43) |
| Addition during the year | - | | (932.69) |
| Less: Transferred to securities premium | - | | 937.12 |
| **4.AMALGAMATION EXPENSES** | | | |
| As per the last year accounts | - | | - |
| Add: Addition during the year | (15.04) | | |
| | (15.04) | | - |
| **5. RETAINED EARNINGS** | | | |
| As per the last year accounts | 851.25 | | 509.73 |
| Dividend Fy.2022-2023 | (128.98) | | |
| Add: Surplus for the year | 79.69 | | 341.52 |
| | 801.96 | | 851.25 |
| Equity attributable to the owners of the parent | 5,819.55 | | 5,883.88 |
| Non-controlling interest | 307.52 | | 294.70 |
| TOTAL | 6,127.07 | | 6,178.58 |

* Public issue expenses amounting to ₹0.00 (pr.yr. ₹ 937.12 lakhs) have been adjusted against Securities Premium in accordance with the provisions of section 52 of the Companies Act,2013.

1. Share Premium :
The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Act.

2. General Reserve
This includes the amount received from the Government under an incentive scheme for capital expansion and on the expiry of requisite period , the amount was transferred to it.

3.Retained Earnings
This Reserve represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

Note 17

| BORROWINGS -NON CURRENT : | As at 31.03.2024 | | As at 31.03.2023 | |
|---|---|---|---|---|
| | Current | Non-Current | Current | Non-Current |
| SECURED : | | | | |
| **(a) Term Loans:** | | | | |
| **From Banks :** | | | | |
| UCO Bank : | | | | |
| Term Loan- Additional working capital term loan under guarantee emergency credit loan (i) | 2.52 | - | 39.87 | 2.94 |
| Term Loan- Guaranteed Emergency Credit Line(GECL) (ii) | 30.00 | 43.46 | 5.57 | 78.32 |
| Term Loan(iii) | 199.78 | 533.33 | 200.00 | 733.33 |
| Term Loan-Vehicle Loan(iv) | 1.38 | 12.38 | 4.88 | 12.38 |
| Term Loan-Soler Loan(v) | 37.50 | 100.00 | - | - |
| Term Loan- HDFC Bank (vi) | 4.67 | 13.94 | 4.31 | 18.61 |
| Term Loan- HDFC Bank (vii) | 2.23 | 9.89 | - | - |
| | 278.08 | 713.00 | 254.63 | 845.58 |

(i) Secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and at Vill: Modi , District : Udaipur and also by way of first charge on all current assets such as raw material , finished goods, work -in process, stores and spares , book debts, and packing materials etc. The loan is repayable in 36 equal monthly instalments ₹ 354611.00 each commencing from June 14, 2021 and the last instalment is repayable on June 14,2024. Rate of interest as on 31.03.2024 is 9.25 % per annum. It is also secured by wy of corporate guarantee of Sat Industries Limited.

(ii) Secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and Vill : Modi , District. Udaipur and also by way of first charge on all current assets such as raw material , finished goods, work -in process, stores and spares , book debts, and packing materials etc. The loan is repayable in 36 equal monthly instalments ₹ 263376.35 each commencing from December 15, 2023 and the last instalment is repayable on December 15,2026. Rate of interest as on 31.03.2024 is 9.25 % per annum. It is also secured by way of corporate guarantee of Sat Industries Limited.

(iii) Secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and Vill : Modi , District : Udaipur and also by way of first charge on all current assets such as raw material , finished goods, work -in process, stores and spares , book debts, and packing materials etc. The loan is repayable in 36 equal monthly instalments ₹ 1666667.00 each commencing from December 15, 2023 and the last instalment is repayable on June 15,2028. Rate of interest as on 31.03.2024 is 10.00 % per annum. It is also secured by way of corporate guarantee of Sat Industries Limited.

(iv) Secured against Hypothecation of Vehicle No. RJ27UE0279. The loan is repayable in 60 equal monthly instalment ₹ 40649.00 each commencing from June 06, 2022 and the last instalment is repayable on May 31,2027. Rate of interest as on 31.03.2024 is 10.20 % per annum.

(v) Secured against equitable mortgage of land and building of the Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and Vill : Modi, District : Udaipur and also by way of first charge on all current assets such as raw material , finished goods, work -in progress, stores and spares , book debts, and packing materials etc. The loan is repayable in 48 equal monthly instalments ₹ 3,12,500.00 each commencing from September 30, 2023 and the last instalment is repayable on September 30,2028. Rate of interest as on 31.03.2024 is 10.00 % per annum.It is also secured by way of corporate guarantee of Sat industries Limited.

(vi) Secured against Hypothecation of Vehicle No.RJ27GE0153. The loan is repayable in 60 equal monthly instalment ₹ 49946.00 each commencing from November 15, 2022 and the last instalment is repayable on Octobar 15,2027. Rate of interest as on 31.03.2024 is 8.02 % per annum.

(vii) Secured against Hypothecation of Vehicle No. RJ27UC2292. The loan is repayable in 60 equal monthly instalments ₹ 27950.00 each commencing from November 05,2025 and the last instalment is repayable on October 05,2028. Rate of interest as on 31.03.2024 is 09.10 % per annum.

(viii) There is no continuing default in the payment of principal and interest thereof in respect of loans (i) to (vii) stated above.

Note 18

| DEFERRED TAX LIABILITIES (NET) | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| a) Deferred tax liability | 221.31 | | 145.13 |
| Depreciation | 27.27 | | 78.29 |
| Deferred tax assets | | | |
| Leave encashment &gratuity (provisions) etc. | 2.23 | - | 0.11 |
| Net amount charged to Statement of Profit and Loss | 25.04 | | 78.18 |
| Deferred tax liabilities(net) | 246.35 | | 221.31 |
| b)MAT Credit Entitlement | | | |
| Opening | 53.13 | | 0.08 |
| Addition | 14.10 | | 71.60 |
| Utilized | 2.31 | | 18.55 |
| MAT Balance | 64.92 | | 53.13 |
| | 181.43 | | 168.18 |

Note 19

| BORROWINGS -CURRENT : | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| **SECURED :** | | | |
| Current maturity of Long term debts (@for security etc. refer Note 17 | 278.08 | | 254.63 |
| **Repayable on demand** | | | |
| **From Banks:** | | | |
| Cash Credit facilities from UCO Bank (a) and (ai) | 1,771.11 | | 1,123.59 |
| | 1,771.11 | | 1,123.59 |
| **UNSECURED :** | | | |
| **Repayable on demand** | | | |
| **From Bank** | | | |
| ICICI Bank Ltd (b) | 297.00 | | 280.00 |
| Deutsche Bank -CC (c) | - | | 0.99 |
| | 297.00 | | 280.99 |
| | 2,346.19 | | 1,659.21 |

(a) Secured against equitable mortgage of land and building of the Parent Company situated at E-260-261, Mewar Industrial Area, Madri, Udaipur-313003 and at Vill : Modi, District : Udaipur by way of first charge on all current assets such as raw material , finished goods, work -in process, stores and spares , book debts, and packing materials etc. of the Parent Company . It is also secured by way of corporate guarantee of Sat Industries Limited . Rate of interest as on 31.03.2024 is 10.00% per annum.

(ai) Includes also cash credit facilities availed by the subsidiary company - Filtcorp Polyweave Private Limited amounting to ₹ 192.70 lakhs. The same is secured by way of the first charge on all current assets such as raw material, finished goods, work-in-process, stores and spare parts, book debts, and packing materials etc. of the subsidiary Company situated at G-1 202-203,IID center RIICO, Kaladwas , Udaipur. It is also secured by way of personal guarantee of Mr.Murtaza Ali Modi, Director and corporate guarantee of Sah Polymers Ltd.

(b) Guaranteed by Mr. Asad Daud ,Director and Mr. Hakim Sadiq Ali Tidiwala ,Wholetime Director of the Company. Rate of interest as on 31.03.2024 is 11.05% per annum

(c) Guaranteed by Mr. Asad Daud ,Director and Mr. Hakim Sadiq Ali Tidiwala ,Wholetime Director of the Company. Rate of interest as on 31.03.2024 is 9.95% per annum

(d) There is no continuing default in the payment of interest .

Note 20

| TRADE PAYABLES | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises | - | | - |
| Total outstanding dues of creditors other than micro | 882.39 | | 813.07 |
| | 882.39 | | 813.07 |

Trade payables ageing schedule as at 31st March, 2024 (₹ in lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | TOTAL |
| (i) Undisputed -Micro & small enterprises | - | - | - | - | - | - |
| (ii) Undisputed Others | 882.39 | - | - | - | - | 882.39 |
| (iii) Disputed dues – Micro & small enterprises | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 882.39 | - | - | - | - | 882.39 |

Trade payables ageing schedule as at 31st March, 2023 (₹ in lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | 2-3 years | More than 3 years | TOTAL |
| (i) Undisputed -Micro & small enterprises | - | - | - | - | - | - |
| (ii) Undisputed Others | 812.02 | - | - | - | - | 812.02 |
| (iii) Disputed dues – Micro & small enterprises | - | - | - | - | - | - |
| (iv) Disputed dues - Others | 0.40 | 1 | - | -.00 | | 1.05 |
| Total | 812.42 | 0.65 | -.00 | -.00 | - | 813.07 |

Note 21

| OTHER- CURRENT FINANCIAL LIABILITIES | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Interest on loan | 2.69 | | 2.10 |
| | 2.69 | | 2.10 |

Note 22

| OTHER CURENT LIABILITIES | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Statutory Liabilities | 33.34 | | 37.98 |
| Advance received from customers | 58.46 | | 74.38 |
| Others | 187.35 | | 155.09 |
| | 279.15 | | 267.45 |

Note 23

| PROVISIONS | As at 31.03.2024 | | As at 31.03.2023 |
|---|---|---|---|
| Provision for employee benefits | 33.80 | | 14.81 |
| | 33.80 | | 14.81 |

Note 24

| CURRENT TAX LIABILITIES | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| Current tax ( net of advance tax ) | 4.22 | 67.27 |
| | 4.22 | 67.27 |

Note 25

| REVENUE FROM OPERATIONS | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| (a) Manufactured Goods | 9,913.36 | 8,706.79 |
| (b) Traded Goods | 854.07 | 635.86 |
| (c ) Sale of Services | | |
| I) Job work | - | 28.82 |
| II) Commission-DCA | 56.90 | 62.29 |
| III) Market Research Services | - | - |
| | 56.90 | 91.11 |
| (d) Interest income (Business) | 94.53 | 106.16 |
| | 10,918.86 | 9,539.92 |

Note 26

| OTHER INCOME | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| (a) Rent | 0.24 | 0.42 |
| (b) Interest on financial assets on amortised cost | 122.07 | 31.75 |
| (c) Miscellaneous income | 0.64 | 1.11 |
| (d) Foreign Exchange Fluctuation | 108.23 | 148.42 |
| (e) Export Incentive | 1.42 | - |
| (f) Profit on sale of Property, Plant and Equipment | 0.21 | - |
| | 232.81 | 181.70 |

Note 27

| COST OF MATERIAL CONSUMED | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| Opening Stock | 759.42 | 570.72 |
| Purchases | 6,104.73 | 5,880.20 |
| | 6,864.15 | 6,450.92 |
| Less: Closing Stock | 520.89 | 759.42 |
| | 6,343.26 | 5,691.50 |

Note 28

| PURCHASES OF STOCK -IN TRADE | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| Traded goods | 779.80 | 630.73 |
| | 779.80 | 630.73 |

Note 29

| CHANGES IN INVENTORIES | | For the year ended 31.03.2024 | | For the year ended 31.03.2023 |
|---|---|---|---|---|
| Opening Stock : | | | | |
| Finished Goods | 557.95 | | 291.17 | |
| Add - Goods produced during trial run | - | | 12.73 | |
| | 557.95 | | 303.90 | |
| Work-in-progress | 1,039.40 | | 587.51 | |
| Add:- Goods produced during trial run | - | | 118.66 | |
| | 1,039.40 | 1,597.35 | | 1,010.07 |
| Less :Closing Stock : | | | | |
| Finished Goods | 452.08 | | 557.95 | |
| Work-in-progress | 1,715.36 | | 1,039.40 | |
| | | 2,167.44 | | 1,597.35 |
| | | (570.09) | | (587.28) |

Note 30

| EMPLOYEE BENEFITS | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| (i) Salaries, wages and bonus | 657.38 | 358.02 |
| (ii) Contribution to provident and other funds | 30.74 | 20.63 |
| (iii ) Gratuity | 13.95 | 24.40 |
| (vi) Staff welfare expenses | 64.49 | 40.63 |
| | 766.56 | 443.68 |

Note 31

| FINANCE COSTS | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| (I) Interest expenses | | |
| (a) Interest on borrowings | 310.84 | 203.21 |
| (b ) Interest on delayed payment of taxes | 7.88 | 13.46 |
| (c ) Foreign exchange Fluctuation of PCFC | - | 3.54 |
| (II) Other borrowing costs - Processing Charges | 7.14 | 1.85 |
| | 325.86 | 222.06 |

Note 32

| OTHER EXPENSES | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| Bag Printing Expenses | 18.27 | 13.35 |
| Bag Stitching Expenses | 166.82 | 146.06 |
| Bank Commission and charges | 35.58 | 39.02 |
| Books & Periodicals | 0.35 | 0.36 |
| Carriage Outward | 26.48 | 32.11 |
| Other manufacturing Exp. | 296.57 | 308.25 |
| Repairs & Maintenance on : | | |
| -Plant and Machinery | 39.11 | 41.96 |
| -Building | 14.35 | 0.46 |
| -Others | 4.73 | 2.00 |
| Commission on sales | 55.13 | 26.40 |
| Consultancy | 52.60 | 27.32 |
| Consumption of stores and spare parts | 108.55 | 96.49 |
| Festival Expenses | 4.56 | 2.61 |
| Early Payment incentive expenses | 3.09 | 1.73 |
| Economic Rent & Service Charges | 0.86 | 0.86 |
| Electric & Power | 604.32 | 374.07 |
| Export Freight , Insurance & other Expenses | 626.10 | 747.77 |
| Fabric Weaving Expenses | 131.12 | 111.70 |
| Loading & Unloading exp. | 4.48 | 2.96 |
| Fees & Taxes | 1.05 | 1.92 |
| Fuel & Lubricant | 37.51 | 28.41 |
| Godwon Rent | 14.84 | 6.39 |
| Inspection Charges of bags | 0.95 | 0.56 |
| Insurance Charges | 18.37 | 9.79 |
| Job Charges | 459.53 | 296.10 |
| Lease Rent | 38.95 | 43.83 |
| Legal & Professional Exp. | 26.60 | 13.54 |
| Miscellaneous Expenses | 77.63 | 112.77 |
| Material Handling Charges | 5.97 | 5.56 |
| Packing Materials | 108.30 | 49.83 |
| Payment to Auditors as: | | |
| (i) as Auditor | 0.36 | 0.48 |
| (ii) for taxation matter | 0.13 | - |
| (iii) for reimbursement of expenses | 0.05 | 0.05 |
| Postage & Telegram | 17.19 | 8.71 |
| Printing Ink | 40.09 | 51.70 |
| Rating Charges | 0.70 | 1.03 |
| Rebate, Claim & Discounts | 22.10 | 6.64 |
| Software Expenses | 3.75 | 3.45 |
| Sorting and counting charges | 27.72 | 29.10 |
| Stationery & Printing | 6.27 | 6.17 |
| Subscription & Membership | 4.81 | 7.13 |
| Telephone and Mobile | 5.08 | 3.49 |
| Vehicle Running & Maintenance Expenses | 12.23 | 6.80 |
| Warehouse Management charges | 4.34 | 4.88 |
| Water Expenses | 3.91 | 2.39 |
| | 3,131.98 | 2,668.20 |

Note 33

Additional Information

| | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| (i) Depreciation and Amortisation : | | |
| (a) Depreciation expense | 238.55 | 139.09 |
| (b) Amortization expense | 0.51 | 0.51 |
| | 238.86 | 139.60 |
| ii) Payment to Auditors as: * | | |
| a) as Auditor | 0.36 | 0.48 |
| b) for taxation matter | 0.13 | - |
| c) Reimbursement of expenses | 0.05 | 0.05 |
| | 0.54 | 0.53 |

* excludes ₹ 0.00 lakhs (Previous Year ₹ .70 lakhs ) paid for certification , in the nature of initial public offer issues expenses accounted in Securities Premium Account.

Note 34

Earnings per share

| Earning per share has been computed as under | 2023-2024 | 2022-2023 |
|---|---|---|
| a) Profit for the year | 92.51 | 378.06 |
| b) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share | 25796000 | 17887507 |
| c) Effect of potential Equity shares on conversion of outstanding share warrants | - | 0 |
| d) Weighted average number of equity shares in computing diuted earnings per share b) + (c)] | 25796000 | 17887507 |
| e) Earnings per share on profit for the year (Face Value ₹ | | |
| Basic (a/b) | 0.36 | 2.10 |
| -Diluted (a/d) | 0.36 | 2.10 |

Note 35

Contingent liabilities and commitments

| i) Contingent liabilities | ₹ in lakhs | ₹ in lakhs |
|---|---|---|
| Claims against excise duty and other matters | 31st March,2024 | 31st March,2023 |
| i) Income tax Matters * | 0.49 | 0.79 |
| otal | 0.49 | 0.79 |
| Net of deposit . | | |

It is not practicable for the Group to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

(b) Commitments

₹ in lakhs

| | | | | | |
|---|---|---|---|---|---|
| • Estimated amount of contracts remaining to be executed on | | | 7.74 | | - |
| GUARANTEES | | | 31st March 2024 | | 31st March 2023 |
| a) Guarantee issued by Uco Bank | | | 700.00 | | 700.00 |
| b) Guarantee given on behalf of subsidiary<br>i) Guarantee given by the Company to UCO Bank against cash credit limit provided to Fibcap Polywoven private Limited | | | 300.00 | | 300.00 |

Note 36

**Capitalization of expenditure**

During the year, the Company has capitalised the following expenses of revenue nature to the cost of property, plant and equipment /capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Company.

(₹ in lakhs)

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Employees Benefits expenses | - | 109.33 |
| Finance costs | - | 160.41 |
| Other Expenses | 32.04 | 42.85 |
| Total | 32.04 | 312.59 |

Note 37

**Financial Instruments and Related Disclosures :**

**1. Capital Management**

The Group capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Group.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets.

The Group determines the amount of capital required on the basis of annual business plan also taking into consideration any long term strategic investment and expansion plans. The funding needs are met through equity and cash generated from operations.

The Group financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable shareholder value. The group funds its operations through internal accruals, borrowings etc. The groups aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

For the purpose of the group's capital management, capital includes issued capital and other equity reserves. The primary objective of the group's capital management is to safeguard its ability to continue as going concern and to maintain and optimal capital structure so as to maximise shareholders value. The group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt and adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

(₹ in lakhs)

| | As at 31 March, 2024 | As at 31 March, 2023 |
|---|---|---|
| Non-current borrowings | 713.00 | 845.58 |
| Current borrowings | 2346.19 | 1659.21 |
| **Gross debt** | 3059.19 | 2504.79 |
| Less - Cash and cash equivalents | 728.59 | 1061.34 |
| Less - Other bank deposits | 540.68 | 1013.80 |
| **Adjusted net debt (A)** | 1789.92 | 429.65 |
| **Total equity (B)** | 8706.67 | 8758.18 |
| Adjusted net debt to equity ratio | 20.56 | 4.91 |
| Total capital (A)+(B) | 10496.59 | 9187.83 |
| Gearing ratio * | 35.14 | 28.69 |

*The Group's total gearing ratio is 35.14% to 28.69%

**2. Categories of financial Instruments**

| | Particulars | Note | As at 31st March 2023 | | As at 31st March 2022 | |
|---|---|---|---|---|---|---|
| | | | Carrying Value | Fair Value | Carrying Value | Fair Value |
| A | **Financial assets** | | | | | |
| a) | Measured at amortised cost | | | | | |
| | i) Cash and cash equivalent | 9 | 728.59 | 728.59 | 1,061.34 | 1,061.34 |
| | ii) Other Bank balance | 10 | 540.68 | 540.68 | 1,013.80 | 1,013.80 |
| | iii) Loan | 4&11 | 747.25 | 747.25 | 842.70 | 842.70 |
| | v) Trade receivables | 8 | 2,203.22 | 2,203.22 | 1,614.37 | 1,614.37 |
| | vi) Other financial assets | 5&12 | 240.18 | 240.18 | 216.19 | 216.19 |
| | Total Financial assets | | 4459.92 | 4459.92 | 4748.40 | 4748.40 |
| B | **Financial Liabilities** | | | | | |
| a) | Measured at amortised cost | | | | | |
| | i) Cash Credit facilities | 19 | 1,771.11 | 1,771.11 | 1,122.59 | 1,122.59 |
| | ii)Term loan | 17 | 991.08 | 991.08 | 1,100.21 | 1,100.21 |
| | iii) Other loans | 19 | 297.00 | 297.00 | 280.99 | 280.99 |
| | iii) Trade payables | 20 | 882.39 | 882.39 | 813.07 | 813.07 |
| | Total financial liabilities | | 3,941.58 | 3,941.58 | 3,317.86 | 3,317.86 |

**3 : FINANCIAL RISK MANAGEMENT**

The activities of the Group exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Group seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Group does regularly monitor ,analyse and manage the risks faced by the Group and to set and monitor appropriate risk limits and controls for mitigation of the risks.

**A. MANAGEMENT OF MARKET RISK:**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings and investments . The Group has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

**(i) Management of interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks since its borrowings and investments are all in fixed rate instruments.

**(ii) Management of price risk:**

The Group has no surplus for investment in debt mutual funds, deposits etc. The Group does make deposit with the banks to provide security/margin against guarantee given by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

**(iii) Management of currency risk:**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The Group mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures etc. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Group may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk(The Group has exposure only in USD/EURO converted to functional currency i.e INR)

The currency profile of financial assets and financial liabilities as at March 31st, 2023, are as below:

| Particulars | Exposure currency | As at 31.03.2023 | Exposure currency | As at 31.03.2022 |
|---|---|---|---|---|
| Financial assets | | | | |
| Trade receivables | USD | 821.50 | USD | 545.19 |
| | EURO | 933.07 | EURO | 544.19 |
| | GBP | 93.40 | GBP | 75.51 |
| Financial liabilities | | | | |
| Trade payable | USD | 14.50 | USD | 0.03 |
| | GBP | 12.17 | GBP | 42.17 |
| | | 1,856.50 | | 1,150.69 |

Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of the Indian Rupee against USD/EURO at March 31 would have affected the measurement of financial instruments denominated in USD/EURO and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

₹in lakhs

| | As at | | Strengthening | Weakening |
|---|---|---|---|---|
| Profit/(Loss) | 31.03.2024 | | 91.32 | 91.32 |
| Profit/(Loss) | 31.03.2023 | | 56.03 | 56.03 |

B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counter party to the Group resulting in a financial loss to the Group. The Group is exposed to credit risk from its operating activities (trade receivables) and foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Group's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and continuing creditworthiness of the customers to which the Group extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Group has no concentration of credit risk as the customer base is widely distributed.

The Group's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognized, where considered appropriate by responsible management.

C. MANAGEMENT OF LIQUIDITY RISK:

Liquidity risk is the risk that the Group may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Group's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Group closely monitors its liquidity position and has a cash management system. The Group maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

The Group's Current assets aggregate to ₹ 7345.09 (pr yr ₹ 7571.29) lakhs including Cash and cash equivalents and Other bank balances of ₹ 1269.27 (pr yr ₹ 2075.14) lakhs against an aggregate Current liability of ₹ 3548.44 (pr yr ₹ 2843.91) lakhs . Non-current liabilities due between one year to three years amounting to ₹ 713.00 (pr yr ₹ 845.58) lakhs and Non-current liability due after three years amounting to NIL as the reporting date. Further, while the Group's total equity stands at ₹ 8706.67 (Pr yr ₹ 8758.16) lakhs, it has non-current borrowings of ₹ 713.00 (pr yr ₹ 845.58) lakhs. In such circumstances, liquidity risk or the risk that the Group may not be able to settle or meet its obligations as they become due does not exist.

**D. Fair value measurement**

**Fair value hierarchy**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified in Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Group has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

| | Particulars | Fair value hierarchy | As at 31st March, 2024 | As at 31st March, 2023 |
|---|---|---|---|---|
| | | | Fair Value | Fair Value |
| A | Financial assets | | | |
| a) | Measured at amortised cost | | | |
| | i) Cash and cash equivalent | L2 | 728.59 | 1,361.34 |
| | ii) Other Bank balance | L2 | 540.68 | 1,013.80 |
| | iii) Loan | L2 | 747.25 | 842.70 |
| | v) Trade receivables | L2 | 2,203.22 | 1,614.37 |
| | vi) Other financial assets | L2 | 240.18 | 216.19 |
| | Total Financial assets | | 4459.92 | 4748.40 |
| b) | Financial Liabilities | | | |
| | Measured at amortised cost | | | |
| a | i) Cash Credit facilities | L2 | 1771.11 | 1123.59 |
| | ii)Term loans | L2 | 991.04 | 1100.21 |
| | iii) Other loans | L2 | 297.00 | 280.99 |
| | iv) Trade payables | L2 | 882.59 | 813.07 |
| | Total financial liabilities | | 3941.74 | 3317.86 |

Note 38

Disclosures in respect of related parties pursuant to Ind AS 24

(i) Ultimate Holding Company:

01) Sat Industries Limited

(ii) Key Managerial Personnel

01) Mr. Hakim Sadiq Ali Tidiwala, Wholetime Director

02) Mr Murtaza Ali Moti, Wholetime Director

03) Mr. Lalit Kumar Bolia, Chief Financial Officer

04) Mrs. Runel Savera,Company Secretary

(iii) Sat Foundation (formerly known as Tata Charitable Trust)

During the year following transactions were carried out with the related parties in the ordinary course of business at arm's length price :

(In lakhs

| Name of related party | Nature of relation | For the period ended on 31/03/2024 | For the period ended on 31/03/2023 | Nature of transaction |
|---|---|---|---|---|
| Sat Industries Limited | Holding Company | 460 | 400 | Loan Taken |
| | | 460 | 1180 | Loan Repayment |
| | | 5.64 | 46.18 | Interest Paid |
| | | 9 | 9 | Export Incentive |
| | | 0.24 | 0.42 | Rent Received |
| Mr. Hakim Sadiq Ali Tidiwala | Key Management Personnel | 17.69 | 17.66 | Remuneration |
| Mr. Murtaza Moti Ali | Key Management Personnel | 24.00 | 24.00 | Remuneration |
| Mr. Lalit Kumar Bolia | Key Management Personnel | 8.17 | 7.56 | Remuneration |
| Ms. Runel Savera | Key Management Personnel | 4.97 | 3.69 | Remuneration |
| Sat Foundation | Director's relative is trustee | 7.25 | 4.25 | CSR Expenditure |

| Closing balances | | |
|---|---|---|
| Name | As at 31/03/2024 | As at 31/03/2023 |
| Closing balances in the case of the parties is | NIL | NIL |

No amount in respect of the related parties have been written off/back are provided for during the year.

Related party relationship has been identified by the Management and relied upon by the auditor.

Terms and conditions of transactions with related parties:

The sale to and purchases from related parties are made in the ordinary course of business and based on the price lists in force and terms that would be available to third parties.

The loans to and from from related parties are made in the ordinary course of business and are on arm's length basis based on the price lists in force and terms that would be available to third parties.

Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. No provision are held against receivables from related parties.

Note 39

EMPLOYEE BENEFITS

a) DEFINED CONTRIBUTION PLAN

**Provident Fund:**

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

b) DEFINED BENEFIT PLAN

**Gratuity:**

The Group participates in the Employees' Group Gratuity Scheme of Life Insurance Corporation Limited, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity (Amendment) Act, 1997, or as per the Group's scheme whichever is more beneficial to the employees.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

**Provident Fund:**

The Group makes Provident Fund contribution to the Government administered Provident fund. The Group has no part to play in this respect.

**c) Amounts Recognized as Expense:**

**i) Defined Contribution Plan**

Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to ₹ 24.89 lakhs (pr yr ₹17.51Lakhs) has been included under Contribution to Providents and Other Funds

**ii) Defined Benefit Plan**

Gratuity cost amounting to ₹13.96 (pr yr ₹ 24.40) Lakhs has been included in Note 30 under Contribution to Providents and Other Funds

Note 40

TAX RECONCILIATIONS

(₹ in lakhs)

| | Period ended March 31,2024 | | Period ended March 31,2023 |
|---|---|---|---|
| **Tax expenses recognised in the Statement of Profit and Loss** | | | |
| **Current Tax :** | | | |
| Current tax on profits for the year | 17.88 | | 106.35 |
| Deferred tax (Net) | 25.05 | | 80.45 |
| Total income tax expenses | 42.93 | | 186.80 |

Reconciliation of tax expenses and the accounting profit

The reconciliation between estimated income tax at statutory income tax rate into income tax expenses reported in Statement of Profit and Loss is given below :

(₹ in lakhs)

| | Period ended March 31,2024 | | Period ended March 31,2023 |
|---|---|---|---|
| Profit before income tax | 135.44 | | 512.40 |
| Indian statutory income tax rate | 26.00% | | 27.82% |
| Expected income tax expenses | 35.21 | | 142.55 |
| **Tax effect of adjustment to reconcile expected income tax** | | | |
| **Expenses to reported Income tax Expenses** | | | |
| Tax impact of income not subject to tax | - | | - |
| Tax effects of amounts which are not deductible for taxable income | - | | - |
| Tax impact due to 43B of the Income tax Act,1961 | 5.74 | | 0.96 |
| MAT credit adjustments | (16.41) | | - |
| Others | 28.55 | | (44.66) |
| | 17.88 | | (43.90) |
| Total income tax expenses | 53.09 | | 98.65 |
| Effective rate of tax (%) | 39.20 | | 19.25 |

Deferred Tax Liabilities

(₹ in lakhs)

| | Period ended March 31,2024 | | Period ended March 31,2023 |
|---|---|---|---|
| Property Plant and Equipment | 27.27 | | 78.29 |
| Others | - | | - |
| Total deferred tax liabilities | 27.27 | | 78.29 |

Deferred Tax Assets

(₹ in lakhs)

| | Period ended March 31,2024 | | Period ended March 31,2023 |
|---|---|---|---|
| Provisions | | | |
| Others | 2.23 | | 0.11 |
| Total deferred tax Assets | 2.23 | | 0.11 |

| | | |
|---|---|---|
| Net Deferred tax (Liabilities)/Assets | 25.04 | 78.18 |

**Movement in Deferred tax Liabilities /Assets**

| | Property, plant and equipment | Other deferred tax liability | Provisions | Other Deferred Tax Assets | Deferred Tax Liabilities/Asset (Net) |
|---|---|---|---|---|---|
| As at 31st March, 2022 | 133.89 | 6.94 | 8.21 | 5.91 | 143.13 |
| (Charged)/Credited to profit and Loss account | 78.29 | - | 0 | 0.11 | 78.18 |
| As at 31st March, 2023 | 212.18 | 6.94 | 8.21 | 6.02 | 221.31 |
| (Charged)/Credited to profit and Loss account | 27.27 | - | 0 | 2.23 | 25.04 |
| As at 31st March, 2024 | 239.45 | 6.94 | 8.21 | 8.25 | 246.35 |

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

| Tax Credits carried forward | | As at March 31,2024 | Expiry date | As at March 31,2023 | Expiry date |
|---|---|---|---|---|---|
| 2022-23 | | 30.82 | 31.03.2038 | 53.13 | 31.03.2038 |
| 2023-24 | | 14.10 | 31.03.2039 | | |

Note 41

There are no Micro, Small and Medium Enterprises, to whom the Parent and Subsidiary owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due or further interest due and payable in the succeeding year. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the parent and subsidiary.

| **Information relating to the Micro, Small and Medium Enterprises** | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|
| (a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year; (i) Principal amount (ii) Interest | - | - |
| (b) The amounts of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | - | - |
| (c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | - | - |
| (d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| (e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

Note 42

SEGMENT INFORMATION

The Company operates in three primary business segments viz. Manufacturing of Fabrics & Woven Socks etc., Consignment Stockist and financing Activities.

As per Ind AS 108 " Operating Segment", the segments details are as under

Primary:

(₹ in Lakhs)

| Particulars | | | Year Ended 31.03.2024 | Year Ended 31.03.2023 |
|---|---|---|---|---|
| **Segment Revenue** | | | | |
| Manufacturing | | | 9,913.36 | 8,735.61 |
| Trading | | | 910.57 | 698.15 |
| Finance | | | 94.93 | 105.16 |
| **Total** | | | **10,918.86** | **9,539.93** |
| Other Income | | | 232.81 | 181.70 |
| **Total Revenue** | | | **11,151.67** | **9,721.63** |
| **Segment results** | | | | |
| Manufacturing | | | -215.16 | 204.22 |
| Trading | | | 55.17 | 67.42 |
| Finance | | | 63.62 | 59.06 |
| **Total Segment Results** | | | **(97.37)** | **330.70** |
| Other Income | | | 232.81 | 181.70 |
| Profit before tax | | | 135.44 | 512.40 |
| Provision for tax | | | 42.93 | 136.34 |
| **Profit after tax** | | | **92.51** | **376.06** |
| | | | | |
| **Segment Assets** | | | | |
| Manufacturing | | | 12,397.03 | 11,772.15 |
| Trading | | | - | - |
| Finance & Investment | | | 752.49 | 842.70 |
| **Total** | | | **13,149.54** | **12,615.85** |
| **Segment Liabilities** | | | | |
| Manufacturing | | | 3,955.83 | 3,420.48 |
| Trading | | | 187.35 | 155.09 |
| Finance & Investment | | | 299.69 | 282.10 |
| **Total** | | | **4,442.87** | **3,857.67** |
| **Capital employed** | | | **8,706.67** | **8,758.18** |

Secondary

| GEOGRAPHICAL INFORMATION | March 31,2024 | ₹ in lakhs March 31,2023 |
|---|---|---|
| Non Current Assets – Within India | 5,404.45 | 5,044.56 |
| – Outside India | | |
| Revenue from external customers – Within India | 3,328.11 | 2,876.50 |
| – Outside India | 7,439.32 | 6,466.15 |

Note 43

The Group has elected not to apply the Indian Accounting Standard (Ind AS) 116- Leases to account for those leases where underlying assets is of low value.

Note 44

Balances of banks, sundry debtors and trade payables , current liabilities etc. as on 31.03.2024 are subject to confirmation and reconciliation.

Note 45

In the opinion of the Management ,there is no impairment of assets in accordance with the Ind AS -36 as on the Balance Sheet date.

Note 46

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

Note 47

There are no significant subsequent events that would require adjustments or disclosures in the Financial statements as on the balance sheet date.

Note 48

The financial statements were authorised for issue by the Board of Directors on May 03,2024.

Note 49

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimal thereof as per the requirements of Schedule III to the Companies Act,2013, unless otherwise stated.

Note 50

Previous year's figures have been reclassified/regrouped wherever necessary to conform with the current Financial Statements.

Note 51

No proceeding has been initiated or pending against the Parent and Subsidiary for holding any benami property under the Benami Transactions ( Prohibition) Act,1988 and rules made thereunder.

Note 52

The Group has borrowings from banks on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.

Note 53

The Parent and Subsidiary are not declared wilful defaulters by any bank or financial institution or other lender.

Note 54

The Group has no transaction with companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act,1956.

Note 55

There is no charges or satisfaction yet to be registered with ROC beyond the statutory period.

Note 56

The Group has complied with the number of layers, wherever applicable, prescribed under clause (87) of section 2 of the Companies Act,2013 read with the Companies (Restriction on number of Layers) Rules,2017.

Note 57

Dividend on equity shares:

Dividend on equity shares declared and paid during the year:

(₹ in lakhs)

| Particulars | As at March 31, 2024 (₹ | As at March 31, |
|---|---|---|
| Final dividend of ₹ 0.50 per share for the year 2022-23 (2021-22- ₹ Nil.) | 128.98 | 0.00 |
| Total | 128.98 | 0.00 |

Note:

The Group declares and pays dividend in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable withholding income taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

Note 58

No Scheme of Arrangement has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act,2013.

Note 59

Utilisation of Borrowed funds and share premium

(a) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding ( whether recorded in writing or otherwise) that the Intermediary (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company(Ultimate Beneficiaries ) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Group has not received any fund from any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding ( whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries ) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Note 60

There is no transaction not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961. Further there is no previously unrecorded income and related assets requiring recording in the books of account during the year.

Note 61

The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

Note 62

No Scheme of Arrangement has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act,2013.

Note 63

**Corporate Social Responsibility (CSR)**

(₹ in lakhs)

| | As at 31.03.2024 | As at 31.03.2023 |
|---|---|---|
| (i) amount required to be spent by the company during the year | 7.25 | 4.91 |
| (ii) amount of expenditure incurred | 7.25 | 4.91 |
| (iii) shortfall at the end of the year | - | - |
| (iv) total of previous years shortfall | - | - |
| (v) reasons for shortfall | Not applicable | Not applicable |
| (vi) nature of CSR activities | | |
| (a) Construction/acquisition of any asset | - | - |
| (b) On purposes other than (a) above | | |
| Health | - | 0.66 |
| Education | 7.25 | 4.25 |
| | 7.25 | 4.91 |
| (vii) Details of related party transactions: Out of (i) above, ₹ 7.25 lakhs (Previous Year ₹ 4.25) contributed to Sir Foundation (formerly known as Tata Charitable Trust) which is related party. | | |
| (viii)The Company does not carry any provisions for corporate social responsibility expenses for the current year and the previous year. | | |

Note 64

The Group has done an assessment to identify Core Investment Company (CIC) [including CICs in the Group] as per the necessary guidelines of Reserve Bank of India [including Core Investment Companies (Reserve Bank) Directions, 2016]. The Group is not a CIC and no entities have been identified as CIC in the Group, of which Parent and subsidiary is a part.

Note 65

Revenue from contract with customers differ from the revenue as per contracted price due to factors such as taxes recovered, volume rebate, discounts, etc.

Note 66

The Group has assets ( equipment etc ) with a lease term of 12 months or less. The Group applies the 'short term lease' recognition exemption for these leases. The Group also has certain leases of assets of low value. The Company applies 'low values lease' recognition exemption for these leases.

Note 67

The Group has neither long-term contracts nor derivatives as at March 31, 2024.

Note 68

The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 69

The Parliament of India has approved the Code on Social Security, 2020 (the Code) which may impact the contributions by the company towards provident fund, gratuity and ESIC. The Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. Final rules are yet to be notified. The Group will assess the impact of the Code when it comes into effect and will record related impact, if any.

Note 70

| The company considered in the consolidated financial statement is : | | | |
|---|---|---|---|
| Name | Country of incorporation | % of ownership interest as at 31/03/2024 | % of ownership interest as at 31/03/2023 |
| Subsidiary | | | |
| Fibcorp Polyweave Private Limited | India | 51.01 | 51.01 |

Note 71

Maintenance of Books of account under Section 128 of the Companies Act, 2013 The Company has defined process to take daily back-up of books of account maintained electronically and complied with the provisions of The Companies (Accounts) Rules, 2014 (as amended).

Note 72

**Offsetting financial assets and liabilities**

The Group has not offset any financial asset and financial liability. It offsets a financial asset and a financial liability when it currently has a legal enforceable right to set-off the recognised amounts and it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**Collateral against borrowings**

The Group has hypothecated/mortgaged assets as collateral against a number of its sanctioned line of credit (Refer Note 17 and 19 for further information on assets hypothecated/mortgaged as security). In case of default as per borrowing arrangement, such collateral can be adjusted against the amounts due.

Note 73

During the financial year 2022-2023, the Parent Company raised ₹ 6030 lakhs by way of the initial public offer. Details of amount utilised out of the un-utilised amount during the year are as under :

(₹ in lakhs)

| Nature of the fund raised | Purpose for which funds were raised | opening un-utilized balance | Amount utilized for the purpose during the year | Unutilized balance as at Balance sheet date | Remark |
|---|---|---|---|---|---|
| Initial Public Offer | Setting up of a new manufacturing facility to manufacture new variant of Flexible Intermediate Bulk Containers (FIBC) | 405.02 | 0 | 405.02 | Project is over. No further amount is to be incurred. |
| | General corporate purposes | 1250.47 | 579.32 | 671.15 | - |
| | Issue related expenses | 10.01 | 0 | 10.01 | No amount is outstanding and payable. |

Pending utilisation, the Parent Company has temporarily invested the unutilised amount as on March 31,2024, in fixed deposits with the scheduled commercial bank.

Note 74

Additional information ( as required under schedule III to the Companies Act, 2013, of companies controlled as subsidiary (after eliminations) for the year ended March 31,2024

| Name of the enterprise | Net assets (i.e. total assets minus total liabilities) | | Share in profit or Loss | | Share in Other comprehensive income | | Share in Total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of consolidated net assets | Amount ( ₹ in lakhs) | As % of consolidated profit or loss | Amount ( ₹ in lakhs) | As % of consolidated Other comprehensive income | Amount ( ₹ in lakhs) | As % of consolidated total Comprehensive income | Amount ( ₹ in lakhs) |
| Parent | | | | | | | | |
| Exh Polymers Limited | 90.24 | 11905.92 | 62.15 | 84.18 | - | - | 62.15 | 84.18 |
| Subsidiary | | | | | | | | |
| Indian | | | | | | | | |
| Fiberite Polymers Private Limited | 9.76 | 1263.62 | 37.85 | 51.26 | - | - | 37.85 | 51.26 |
| Total | 100.00 | 13169.54 | 100 | 135.44 | - | - | 100.00 | 135.44 |

for and on behalf of
H.R. JAIN & CO.,
Chartered Accountants
FRN : 000262C

Manoj Jain
Partner
M.No. 080459
Udaipur, May 3,2024

H.R. JAIN & CO. CHARTERED ACCOUNTANTS

for and on behalf of the Board

HAKIM SADIQALI TIDIWALA
Wholetime Director
DIN : 00139156

LALIT KUMAR JOLIA
Chief Financial Officer

MURTAZA ALI MOTI
Wholetime Director
DIN : 07870224

RUNGI SAXENA
Company Secretary
M No. 28022

**H.R.JAIN & Co.** Email: hrjainca@gmail.com
**CHARTERED ACCOUNTANTS**
310-313, Arihant Plaza, Near State Bank of India, Udiyapole, Udaipur 313001

**Independent Auditors Certificate on the statement of Outstanding Amount of Secured Creditors of Sah Polymers Limited as at 30th June, 2024:**

To,
The Board of Directors
Sah Polymers Limited
E 260-261, Mewar Industrial Area
Madri Udaipur-313003

1. We have been requested by the Company having its registered office at the above-mentioned address vide engagement letter dated September 7, 2024 to issue a certificate on the statement of Outstanding amount of Secured Creditors of Sah Polymers Limited as at 30th June, 2024.

2. The accompanying statement of Outstanding amount of Secured Creditor along with Numbers of Secured creditors of the company as at 30th June, 2024 (herein after referred to as the List of Secured creditor) as set out in Annexure contains the details required by the Company for onward submission to the National Company Law tribunal ("NCLT") which we have initialed for identification purposes only.

**Management's Responsibility for the statement**

3. The preparation of the List of Secured creditor is the responsibility of the management of the company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the statements and applying in appropriate basis of preparation, and making estimates that are reasonable in the circumstances.

4. The management is also responsible for ensuring that the Company complies with the requirements of the NCLT and provides all relevant information to the NCLT.

**Auditors' Responsibility**

5. Our responsibility is to provide reasonable assurance whether the amount in the List of Secured creditor in respect of Outstanding amount and along with the Number of Secured Creditors of the Company as at 30th June, 2024 have been accurately extracted from financials of the Company as at 30th June 2024 and other relevant records of the Company at 30th June, 2024.

6. We conducted our examination of the Statements in accordance with the Guidance Note on Reports or Certificates for Special purposes issued by the Institute of Chartered Accountants of India, in so far as applicable for the purpose of this certificate. The Guidance note requires that we comply with the Ethics issued by the Institute of Chartered Accountants of India.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SOQ) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and other assurance and Related Service Engagements.

H.R. JAIN & CO. CHARTERED ACCOUNTANTS

**Opinion**

8. Based on the examination as above and the information and explanations and representations received from the company's management, we are in the opinion that the amounts in the List of Secured creditor in respect of outstanding amount and the number of Secured Creditors as at 30th June, 2024 has been accurately extracted from the financials of the Company as at 30th June 2024 and other relevant documents.

**Restriction on Use**

9. The certificate is addressed and provided to the Board of Director of the Company for onward submission to the NCLT and for the purpose related to the Scheme of arrangement and should not be used by any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**This is to certify that the above-mentioned information is true to the best of my knowledge and belief, according to the books and documents produced before me for verification.**

Yours Faithfully

For **H R Jain & Co.**
Chartered Accountants
ICAI Firm Registration No. 000262C




Manoj Jain
Partner
Membership No.400459
Place of Signature: Udaipur
Date: 27-08-2024
UDIN: **24400459BKENBK4220**

H R JAIN & Co
CHARTERED ACCOUNTANTS

Annexure forming part of this certificate dated 27/08/2024

List of Secured Creditors as on 30-06-2024

| S. No. | Particulars | Amount in ₹ | % |
|---|---|---|---|
| 1 | UCO Bank | 252,364,860.43 | 98.85 |
| 2 | HDFC Bank | 1,158,773.83 | 1.15 |
| | **Total** | **253,523,634.26** | **100.00** |

For **H R Jain & Co.**
Chartered Accountants
ICAI Firm Registration No. 000262C

H.R. JAIN & CO. CHARTERED ACCOUNTANTS

Manoj Jain
Partner
Place of Signature: Udaipur
Membership No.400459
UDIN:24400459BKENBK4220
Date:27/08/2024

310-313, Arihant Plaza, Near State Bank of India, Udiyapole, Udaipur-313001
: 97853 90875 : hrjainca@gmail.com

भारतीय गैर न्यायिक

एक सौ रुपये Rs. 100

रु. 100 ONE HUNDRED RUPEES

भारत INDIA

INDIA NON JUDICIAL

राजस्थान RAJASTHAN 23 AUG 2024 BU 276781

NOTARY SHER BANO PATHAN R.No. 8572 Exp.Dt. 08-09-2026 UDAIPUR (RAJ.) GOVT. OF INDIA

**Consent Affidavit**

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
..... Bench.
COMPANY APPLICATION NO.C.A. (CAA)_____2024

In the matter of sections 230-232 and other applicable provisions of the companies act, 2013 read with rules made there and In the matter of the of Scheme Amalgamation of FIBCORP POLYWEAVE PRIVATE LIMITED ("Transferor Company") with SAH POLYMERS LIMTED ("Transferee Company") and between their respective shareholders and creditors.

**AFFIDAVIT**

I, Rohit Ajmera s/o Sh. Ashok Kumar Ajmera [Authorized Signatory] of **UCO Bank**, is the secured creditor of the Sah Polymers Limited ("Transferee Company") aged [38 years], residing at [Flat no. 415, Matrix park Udaipur (Raj.)], do hereby solemnly affirm and declare as under:

1. That I am the Chief Manager of UCO Bank, a company [type of entity, e.g., company/individual/firm] having its registered office at 10, BTM Sarni, Kolkata.
2. That UCO Bank is a secured creditor of Sah Polymers limited [Company], having its registered office at E-260-261, Mewar Industrial Area, Madri, Udaipur (Raj.)-313003 (hereinafter referred to as "the Company").
3. That as of 30.06.2024, the Company owes UCO bank an amount of [Rs. 24,97,84,347.11/-(Rupees Twenty four crore ninty seven lakh eighty four thousand three hundred fourty seven and Paisa eleven only) as on date.

0126 बापू बाजार Bapu Bazar UCO BANK UDAIPUR

4. That I have read and understood the terms and conditions of the proposed merger/amalgamation of FIBCORP Polyweave Pvt. Ltd. [Transferor Company] with Sah Polymers Limited [Transferee Company] having its registered office at E-260-261, Mewar Industrial Area, Madri, Udaipur (Raj.)-313003 and its creditors and Shareholders.
5. That I/we hereby give our consent to the proposed scheme of amalgamation and am/are fully satisfied with the same.
6. That I/we hereby agree and give consent to dispensation of convening the meeting of the secured creditors or the purpose of considering and approving the Scheme.
7. That the I/we have no objection to the Company filing an application before the Hon'ble National Company Law Tribunal, [Bench Name] Bench, seeking dispensation of convening the meeting of the creditors for the purpose of considering and, if thought fit, approving with or without modifications, the Scheme.
8. That I/we confirm that this consent is given freely, voluntarily, and without any coercion or undue influence.
9. That this affidavit is executed to be submitted to the National Company Law Tribunal and relevant authorities and stakeholders in connection with the proposed merger/amalgamation.
10. That the statements made herein above are true to the best of my/our knowledge, information, and belief.

Solemnly affirmed at Udaipur on this 30th day of August 2024.

(Signature of the Creditor/Authorized Signatory)

Name: Rohit Ajmera

Designation: Chief Manager

Address: Flat no. 415, Matrix park Udaipur (Raj.)

Date: 30.08.2024

**VERIFICATION**

I, Rohit Ajmera s/o Sh. Ashok Kumar Ajmera [Name of the Deponent], the above-named deponent, do hereby verify that the contents of the above affidavit are true and correct to the best of my knowledge and belief. No part of it is false, and nothing material has been concealed therein.

Verified at Udaipur on this [30] of [August], [2024].

(Signature of the Creditor/Authorized Signatory)

SIGN/MARKS/PHOTO/THUMPS
SHOWN BEFORE ME

ATTESTED
NOTARY, SHER BANO PATHAN
UDAIPUR (RAJ.)

30 AUG 2024

**Ajay Paliwal & Co.**
**CHARTERED ACCOUNTANTS**
418, Teacher's Colony, Ambamata Scheme,
Udaipur – 313001 (Rajasthan)
Ph.: 0294 – 2430466, Mobile: +919414161477
Email: ajayhpaliwal@gmail.com

ANNEXURE-VII

260

**Ajay Paliwal**
B.Com., FCA, ISA(ICAI)

**Independent Auditors Certificate on the statement of Outstanding Amount of Secured Creditors of Fibcorp Polyweave Private Limited as at 30th June, 2024:**

To,

The Board of Directors

Fibcorp Polyweave Private Limited

E 260-261, Mewar Industrial Area

Madri Udaipur-313003

1. We have been requested by the Company having its registered office at the above-mentioned address vide engagement letter dated September 2, 2023 to issue a certificateon the statement of Outstanding amount of Secured Creditors of Fibcorp Polyweave Private Limited as at 30th June, 2024.

2. The accompanying statement of Outstanding amount of Secured Creditor along with Numbers of Secured creditors of the company as at 30th June, 2024(hercin after referred to as the List of Secured creditor) as set out in Annexure contains the details required by the Company for onward submission to the Nationa1 Company Law tribunal ("NCLT") which we have initialed for identificationpurposes only.

**Management's Responsibility for the statement**

3. The preparation of the List of Secured creditor is the responsibility of the management of the company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the statements and applying in appropriate basis of preparation, and making estimates that are reasonable in the circumstances.

4. The management is also responsible for ensuring that the Company complies with the requirements of the NCLT and provides all relevant information to the NCLT.

**Auditors' Responsibility**

5. Our responsibility is to provide reasonable assurance whether the amount in the List of Secured creditor in respect of Outstanding amount and along with the Number of Secured Creditors of the Company as at 30th June, 2024 have been accurately extractedfrom financials of theCompanyas at 30th June 2024 and other relevantrecords of the Companyat 30th June, 2024.

6. We conducted our examination of the Statements in accordance with the Guidance Note on Reports or Certificates for Special purposes issued by the Institute of Chartered Accountants of India, in so far as applicable for the purpose of this certificate. The Guidance note requires that we comply with the Ethics issued by the Institute of Chartered Accountants of India.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SOQ)1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and other assurance and Related Service Engagements.

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

**Opinion**

8. Based on the examination as above and the information and explanations and representations received from the company's management, we are in the opinion that the amounts in the List of Secured creditor in respect of outstanding amount and the number of Secured Creditors as at 30th June, 2024 has been accurately extracted from the financials of the Company as at 30th June 2024 and other relevant documents.

**Restriction on Use**

9. The certificate is addressed and provided to the Board of Director of the Company for onward submission to the NCLT and for the purpose related to the Scheme of arrangement and should not be used by any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**This is to certify that the above-mentioned information is true to the best of my knowledge and belief, according to the books and documents produced before me for verification.**

Yours Faithfully

For **Ajay Paliwal & Co.**

Chartered Accountants

ICAI Firm Registration No. 012345C




Ajay Paliwal

Proprietor

Membership No. 403290

Place: Udaipur

UDIN: 24403290BKHGDO5765

Date: 24/08/2024

# AJAY PALIWAL & CO

CHARTERED ACCOUNTANTS

418, TEACHERS COLONY, AMBAMATA SCHEME, UDAIPUR- 313 001

TEL- 0294 2430466, E Mail-ajayhpaliwal@gmail.com


Annexure forming part of this certificate dated 24/08/2024

List of Secured Creditors as on 30-06-2024

| S. No. | Particulars | Amount in ₹ | % |
|---|---|---|---|
| 1 | UCO Bank Ltd | 2,86,16,453.49 | 100.00 |
| **Total** | | **2,86,16,453.49** | **100.00** |

For Ajay Paliwal & Co.
Chartered Accountants
ICAI Firm Registration No. 012345C

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

Ajay Paliwal
Proprietor
Membership No. 403290
Place: Udaipur
UDIN:24403290BKHGDO5765
Date: 24/08/2024




राजस्थान RAJASTHAN 23 AUG 2024 BU 276782

**Consent Affidavit**

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
Bench.
COMPANY APPLICATION NO.C.A. (CAA)_____2024

In the matter of sections 230-232 and other applicable provisions of the companies act, 2013 read with rules made there and In the matter of the of Scheme Amalgamation of FIBCORP POLYWEAVE PRIVATE LIMITED ("Transferor Company") with SAH POLYMERS LIMTED ("Transferee Company") and between their respective shareholders and creditors.

**AFFIDAVIT**

I, Rohit Ajmera s/o Sh. Ashok Kumar Ajmera [Authorized Signatory] of **UCO Bank**, is the secured creditor of the FIBCORP Polyweave Pvt. Ltd. ("Transferor Company") aged [38 years], residing at [Flat no. 415, Matrix park Udaipur (Raj.)], do hereby solemnly affirm and declare as under:

1. That I am the Chief Manager of UCO Bank, a company having its registered office at 10, BTM Sarni, Kolkata.
2. That UCO Bank is a secured creditor of FIBCORP Polyweave Pvt. Ltd. [Company], having its registered office at E-260-261, Mewar Industrial Area, Madri, Udaipur (Raj.)-313003 [hereinafter referred to as "the Company").
3. That as of 30.06.2024, the Company owes UCO bank an amount of Rs. 2,93,81,776.76/- [Rupees Two crore ninty three lakhs eighty one thousand seven hundred seventy six and paisa seventy six only] as on date.

4. That I have read and understood the terms and conditions of the proposed merger/amalgamation of FIBCORP Polyweave Pvt. Ltd. [Transferor Company] with Sah Polymers Limited [Transferee Company] having its registered office at E-260-261, Mewar Industrial Area, Madri, Udaipur (Raj.)-313003 and its creditors and Shareholders.
5. That I/we hereby give our consent to the proposed scheme of amalgamation and am/are fully satisfied with the same.
6. That I/we hereby agree and give consent to dispensation of convening the meeting of the secured creditors or the purpose of considering and approving the Scheme.
7. That the I/we have no objection to the Company filing an application before the Hon'ble National Company Law Tribunal, [Bench Name] Bench, seeking dispensation of convening the meeting of the creditors for the purpose of considering and, if thought fit, approving with or without modifications, the Scheme.
8. That I/we confirm that this consent is given freely, voluntarily, and without any coercion or undue influence.
9. That this affidavit is executed to be submitted to the National Company Law Tribunal and relevant authorities and stakeholders in connection with the proposed merger/amalgamation.
10. That the statements made herein above are true to the best of my/our knowledge, information, and belief.

Solemnly affirmed at Udaipur on this 30th day of August 2024.

NOTARY SHER BANO PATHAN R.No. 6572 Exp.Dt. 08-09-2026 UDAIPUR (RAJ.) GOVT. OF INDIA

(Signature of the Creditor/Authorized Signatory)

Name: Rohit Ajmera

Designation: Chief Manager

Address: Flat no. 415, Matrix park Udaipur (Raj.)

Date: 30.08.2024

**VERIFICATION**

I, Rohit Ajmera s/o Sh. Ashok Kumar Ajmera[Name of the Deponent], the above-named deponent, do hereby verify that the contents of the above affidavit are true and correct to the best of my knowledge and belief. No part of it is false, and nothing material has been concealed therein.

Verified at Udaipur on this [30th ] of [August], [2024].

(Signature of the Creditor/Authorized Signatory)

SIGN/MARKS/PHOTO/THUMPS SHOW BEFORE ME

ATTESTED
NOTARY, SHER BANO PATHAN
UDAIPUR (RAJ.)

30 AUG 2024

Ajay Paliwal & Company
CHARTERED ACCOUNTANTS

**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON THE FINANCIAL INFORMATION AS OF 30TH SEPTEMBER 2024.**

**To the Board of Directors of**

**FIBCORP POLYWEAVE PRIVATE LIMITED**

Dear Sir,

We have examined the attached

1 Financial statements of Fibcorp Polyweave Private Limited ("the Company"), which comprise the balance sheet as at 30th September 2024, and the statement of Profit and Loss, Statement of changes in equity for the period ended 30th September 2024 and the summary of significant accounting policies and other explanatory information, as approved by the Board of the company at their meeting held on 22nd October 2024.

2 The Company's Board of Directors is responsible for the other explanatory information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

3 The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

**4 Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**5**. Based on the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



(c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

**For Ajay Paliwal & Company.**
Chartered Accountants
Firm's Registration No.012345C

CA Ajay Paliwal
Proprietor
Place of signature: Udaipur
Membership No.: 403290
Date: October 22nd, 2024
UDIN: 24403290BKHGEP7611

## FIBCORP POLYWEAVE PRIVATE LIMITED

### BALANCE SHEET FOR THE HALF YEAR ENDED ON 30.09.2024

| Particulars | Note | Half year Ended "Amount in Rs" 30-09-2024 | Year Ended "Amount in Rs" 31-03-2024 |
|---|---|---|---|
| **ASSETS** | | | |
| (1) **Non-current assets** | | | |
| (a) Property, Plant and Equipment | 3 | 78,96,912.48 | 80,52,035.40 |
| (b) Capital work-in-Progress | | - | - |
| (h) Financial Assets | | | |
| (i) Loans | | - | - |
| (ii) Others | 4 | 7,83,150.00 | 7,83,150.00 |
| (i) Deferred tax assets (net) | 5 | - | 1,91,394.60 |
| (j) Other non-current assets | | | - |
| (2) **Current assets** | | | |
| (a) Inventories | 6 | 11,11,85,053.31 | 9,53,70,385.00 |
| (b) Financial Assets | | | |
| (i) Investments | | - | - |
| (ii) Trade receivables | 7 | 2,23,23,755.42 | 1,41,94,341.29 |
| (iii) Cash and cash equivalents | 8 | 8,15,056.61 | 3,02,102.15 |
| (iv) Bank balances other than (iii) above | | - | - |
| (v) Loans | 9 | 2,06,000.00 | 1,86,000.00 |
| (vi) Others | | - | - |
| (c) Current Tax Assets | 10 | 40,561.90 | - |
| (d) Other current assets | 11 | 57,84,505.65 | 94,74,858.50 |
| **Total Assets** | | **14,90,34,995.37** | **12,85,54,266.94** |
| **EQUITY** | | | |
| (a) Equity Share Capital | 12 | 66,43,000.00 | 66,43,000.00 |
| (b) Other Equity | 13 | 5,65,66,393.15 | 5,63,56,819.60 |
| **LIABILITIES** | | | |
| (1) **Non-current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | | - | - |
| (i) Deferred tax liability (net) | 5 | 4,55,648.44 | - |
| (2) **Current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 14 | 5,71,36,931.73 | 4,55,66,985.77 |
| (ia) Lease liabilities | | - | - |
| (ii) Trade payables : | | | |
| (A)Total outstanding dues of micro enterprises and small enterprises | | - | - |
| (B)Total outstanding dues of creditors other than micro enterprises and small enterprises | 15 | 1,80,74,894.42 | 1,35,73,760.35 |
| (i) Other financial liabilities(other than those specified in item(c) | | - | - |
| (b) Other current liabilities | 16 | 68,77,376.63 | 35,13,201.14 |
| (c) Provisions | 17 | 32,80,751.00 | 24,78,024.00 |
| (d) Current Tax Liabilities | 18 | - | 4,22,476.08 |
| **Total Equity and Liabilities** | | **14,90,34,995.37** | **12,85,54,266.94** |
| See accompanying notes to the financial statements | 1 to 54 | - | - |

As per our Audit report of even date attached.

for and on behalf of
AJAY PALIWAL & CO.,
Chartered Accountants
FRN : 012345C

AJAY PALIWAL
Proprietor
M.No. 403290
Udaipur, October 22,2024
UDIN:

for and on behalf of the Board

Murtaza Ali Moti
Director
DIN No: 07876224

Fatima Moti
Director
DIN No: 07876195

## FIBCORP POLYWEAVE PRIVATE LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE HALF YEAR ENDED ON 30.09.2024

| Particulars | Note | Half Year Ended 30.09.2024 | Year Ended 31.03.2024 |
|---|---|---|---|
| | | Amount in Rupees | Amount in Rupees |
| I Revenue from operations | 19 | 15,03,92,034.53 | 33,24,07,112.65 |
| II Other income | 20 | 3,59,176.65 | 13,47,716.22 |
| III Total Income (I+II) | | 15,07,51,211.18 | 33,37,54,828.87 |
| IV Expenses : | | | |
| Cost of Materials consumed | 21 | 9,18,48,388.50 | 19,13,81,257.54 |
| Purchases of Stock-in-Trade | 22 | 1,18,29,219.40 | 6,41,65,766.34 |
| Changes in inventories of finished goods | 23 | (1,68,41,923.59) | (3,91,17,323.81) |
| Work-in-progress and Stock -in-Trade | | - | - |
| Employee benefits expense | 24 | 1,87,79,869.00 | 2,97,32,762.98 |
| Finance costs | 25 | 28,24,773.00 | 56,20,623.00 |
| Depreciation and amortization expense | 3 | 9,44,437.99 | 23,42,183.33 |
| Other expenses | 26 | 3,98,43,525.49 | 7,45,03,757.44 |
| Total expenses | | 14,92,28,289.79 | 32,86,29,026.82 |
| V. Profit before exceptional items and tax(III-IV) | | 15,22,921.39 | 51,25,802.05 |
| VI. Exceptional items | | - | - |
| VII Profit/(loss) before tax (V-VI) | | 15,22,921.39 | 51,25,802.05 |
| VIII Tax expense : | | | |
| (1) Current tax | 27 | 6,66,304.80 | 17,88,124.00 |
| (2) Deferred tax | 27 | 6,47,043.04 | 7,21,545.00 |
| IX Profit(loss)for the period from continuing operation (VII-VIII) | | 2,09,573.55 | 26,16,133.05 |
| X Profit/(Loss) from discontinued operations | | - | - |
| XI Tax expense of discontinued operations | | - | - |
| XII Profit/(loss) from discontinued operation (X-XI) | | - | - |
| XIII Profit(loss) for the period (IX+XII) | | 2,09,573.55 | 26,16,133.05 |
| XIV Other Comprehensive Income | | | |
| A(i) Item that will not be reclassified to profit or loss | | - | - |
| (ii) Income tax relating to item that will not be reclassified to profit or loss | | - | - |
| B(i) Item that will be reclassified to profit or loss | | - | - |
| XV (ii) Income tax relating to item that will be reclassified to profit or loss | | - | - |
| XVI Total Comprehensive Income for the period (XIII+XIV) ( Comprising profit (loss) and other Comprehensive Income for the period ) | | 2,09,573.55 | 26,16,133.05 |
| XVII Earnings per equity share:(for continued Operation): | | | |
| (1) Basic | 28 | 3.15 | 39.38 |
| (2) Diluted | 28 | 3.15 | 39.38 |
| XVII Earnings per equity share:(for discontinued Operation): | | | |
| (1) Basic | | - | - |
| (2) Diluted | | - | - |
| XVIII Earnings per equity share:(for discontinued & continuing operations) | | | |
| (1) Basic | 28 | 3.15 | 39.38 |
| (2) Diluted | 28 | 3.15 | 39.38 |
| See accp | 1 to 54 | | |

As per our Audit report of even date attached.

for and on behalf of
AJAY PALIWAL & CO.,
Chartered Accountants
FRN : 012345C

AJAY PALIWAL
Proprietor
M.No. 403290
Udaipur. October 22,2024
UDIN:

for and on behalf of the Board

Murtuza Ali Moti
Director
DIN No: 07876224

Fatima Moti
Director
DIN No: 07876195

## FIBCORP POLYWEAVE PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 30.09.2024

| Sr. No. | Particulars | Half Year Ended 30.09.2024 | Year ended 31.03.2024 |
|---|---|---|---|
| A | **Cash Flow from Operating Activities** | | |
| | Net Profit before tax | 15,22,921.39 | 51,25,802.05 |
| | Adjustments for: | | |
| | Depreciation | 9,44,437.99 | 23,42,183.33 |
| | Interest and Financial Charges | 28,24,773.00 | 56,20,623.00 |
| | Interest and Dividend Received | - | - |
| | Misc. Balance Written off | 122.01 | 10,041.62 |
| | Gratuity and leave encashment | 32,80,751.00 | 24,78,024.00 |
| | Foreign Exchange gain / loss | 3,58,886.63 | 12,99,653.56 |
| | Other income | | |
| | (Profit)/Loss on sale of property, plant and equipment | | |
| | **Operating Profit before working capital changes** | **89,31,892.02** | **1,68,76,327.56** |
| | Adjustment for Changes in Working Capital: | | |
| | Decrease/(Increase) in Trade Receivables | (84,88,300.76) | 4,12,12,032.83 |
| | Increase/(Decrease ) in other current liabilities and provision | 42,00,074.85 | (10,54,644.35) |
| | Increase /Decrease in Loan | (20,000.00) | (1,11,000.00) |
| | Increase/(Decrease) in Trade Payables | 12,20,383.07 | (1,49,02,060.51) |
| | Increase/(Decrease) in other assets | 38,81,747.45 | (20,39,073.37) |
| | Increase in tax assets | (40,561.90) | - |
| | Decrease/(Increase) in Stock | (1,58,14,668.31) | (1,86,26,474.40) |
| | **Cash Generated from Operations** | **(61,29,433.58)** | **2,13,55,107.76** |
| | Income Taxes Refund / (Paid) | 13,13,347.84 | 25,09,669.00 |
| | **Net Cash Inflow /(Out Flow) from Operation (A)** | **(74,42,781.42)** | **1,88,45,438.76** |
| B | **Cash Flow from Investing Activities:** | | |
| | Sale of Plant & Machinery | 3,73,214.13 | - |
| | Purchase of fixed assets | (11,62,529.20) | (9,45,878.02) |
| | Security deposit given | - | (17,000.00) |
| | Interest received | - | - |
| | **Net Cash Inflow/(Outflow) from investing Activities (B)** | **(7,89,315.07)** | **(9,62,878.02)** |
| C | **Cash flow from Financing Activities** | | |
| | Net increase / (Decrease) in Short term borrowings | - | - |
| | Proceeds From shares issue | - | - |
| | Net increase / (Decrease) in Short term borrowings | 42,00,000.00 | (82,00,000.00) |
| | Other income | (122.01) | (10,041.62) |
| | Interest Paid | (28,24,773.00) | (56,20,623.00) |
| | **Net Cash Inflow /(Out Flow) from Financing Activities (C)** | **13,75,104.99** | **(1,38,30,664.62)** |
| | **Net Increase/Decrease in cash & Cash equivalents (A+B+C)** | **(68,56,991.50)** | **40,51,896.12** |
| | **CASH AND CASH EQUIVALENTS** | | |
| | **As at the beginning of the year (Refer Note 9)** | | |
| | **Cash & Cash equivalents** | **3,02,102.15** | **11,30,800.66** |
| | **Cash Credit** | **1,92,66,985.77** | **2,41,47,580.40** |
| | **As at the end of the year (Refer Note 9)** | | |
| | Cash & Cash equivalents | 8,15,056.61 | 3,02,102.15 |
| | Cash Credit | 2,66,36,931.73 | 1,92,66,985.77 |
| | **Net Increase/Decrease in cash & Cash equivalents** | **(68,56,991.50)** | **40,51,896.12** |
| | | -0.00 | |

As per our Audit report of even date attached.

Notes:-

1.The Cash Flow Statement has been prepared in accordance with the "Indirect Method"specified in the Ind-AS-7- "Statement of Cash Flows"

for and on behalf of
AJAY PALIWAL & CO.,
Chartered Accountants
FRN : 012345C

AJAY PALIWAL
Proprietor
M.No. 403290
Udaipur, October 22,2024
UDIN

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

for and on behalf of the Board

Murtaza Ali Moti
Director
DIN No: 07876224

Fatima Moti
Director
DIN No: 07876195

Notes to the Financial Statements

**1.Company Information**

Fibcorp Polyweave Private Limited (FPWPL) is a private limited Company domiciled in India and is incorporated under the provisions of the Companies Act,2013. FPWPL is engaged in the manufacture of PP woven Bags and sacks with annual production capacity of 3600 MT. The manufacturing capacities are situated at Udaipur (Rajasthan). The PP Woven Bags and sacks find applications in the packing of cement, minerals, food grains etc.

**2. Significant Accounting Policies**

**Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

**Basis of Preparation**

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

**Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**Property, Plant and Equipment – Tangible Assets**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

The estimated useful lives of property, plant and equipment of the Company are as follows:

| | |
|---|---|
| Buildings | 30 Years |
| Plant and Equipment | 15 Years |
| Furniture and Fixtures | 10 Years |
| Vehicles | 10 Years |
| Office Equipment | 5 Years |

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

**Intangible Assets**

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant

b. for separately acquired assets, at cost comprising the purchase price (including import duties and nonrefundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licenses, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite. Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

**Impairment of Assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

**Inventories**

Inventories are stated at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

AJAY PALIWAL & CO. UDAIPUR

**Foreign Currency Transactions**

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

Exchange differences arising on monetary items that, in substance, form part of the Company's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in Foreign Currency Translation Reserve.

**Financial instruments, Financial assets, Financial liabilities and Equity instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

**Financial Assets**

**Recognition:**

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:**

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

**Impairment:**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**Reclassification:** When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

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**De-recognition:** Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**Income Recognition:**

Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

**Financial Liabilities**

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

**Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**Equity Instruments**

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

**Revenue**

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. The company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership/control have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

**Government Grant**

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria. Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

(a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.

(b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.

(c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

**Employee Benefits**

i) Short-term Employee benefits Liabilities for wages and salaries including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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iii) Post-Employment Benefits Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and

Superannuation Fund are charged as an expense in the Statement of Profit and Loss as they fall due.

Defined Benefit Plans

Gratuity Fund

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is

payable to all eligible employees on death or on separation/ termination in terms of the provisions of the payment of the

Gratuity (Amendment) Act, 1997 or as per the Company's scheme whichever is more beneficial to the employees.

Provident Fund

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

iv) Other Long Term Employee Benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method

Re-measurements are recognised in profit or loss in the period in which they arise. Actuarial gains and losses in respect of

such benefits are charged to Statement of Profit and Loss in the period in which they arise.

**Taxes on Income**

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided

as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the

period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will

be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

**Claims**

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

**Provisions**

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

**Financial and Management Information Systems**

The Company's Accounting System is designed to comply with the relevant provisions of the Companies Act, 2013, to provide financial information appropriate to the businesses and facilitate Internal Control.



**Use of estimates and judgements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**A. Judgements in applying accounting policies**

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement. Certain trademarks have been considered of having an indefinite useful life taking into account that there are no technical, technological or commercial risks of obsolescence or limitations under contract or law. Other trademarks have been amortized over their useful economic life. Refer notes to the financial statements.

**B. Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**1. Useful lives of property, plant and equipment and intangible assets:**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

**2. Fair value measurements and valuation processes:**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

**3. Actuarial Valuation:**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

**4. Claims, Provisions and Contingent Liabilities:**

In the case of litigations where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.



| Note 4<br>OTHER NON- CURRENT FINANCIAL ASSETS | Year Ended<br>As at 30.09.2024 | Year Ended<br>As at 31.03.2024 |
|---|---|---|
| Security Deposits | 7,83,150.00 | 7,83,150.00 |
| | 7,83,150.00 | 7,83,150.00 |

Note 5

| DEFERRED TAX ASSETS / LIABILITY | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|
| (a) Deferred tax Assets- Opening | 1,91,394.60 | 9,12,939.60 |
| Depreciation-Provision | (6,47,043.04) | (7,21,545.00) |
| Net amount charged to Statement of Profit and Loss | (4,55,648.44) | 1,91,394.60 |
| (b) MAT credit -Opening | - | 2,71,326.00 |
| Addition MAT credit | | - |
| MAT credit utilized | | 2,71,326.00 |
| Net MAT Credit available | - | - |
| Total (a + b) | (4,55,648.44) | 1,91,394.60 |

Note 6

| INVENTORIES | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|
| At lower of cost and net realizable value | | |
| Raw material | 3,64,89,230.00 | 3,72,71,927.46 |
| Work-in -progress | 6,06,27,311.54 | 4,96,14,467.54 |
| Finished Goods | 1,21,08,583.59 | 62,79,504.00 |
| Wastage | 1,22,972.00 | 2,80,760.00 |
| Consumable Stores and Spares | 18,36,956.18 | (9,23,760.00) |
| | 11,11,85,053.31 | 9,53,70,585.00 |

Note 7

| TRADE RECEIVABLE | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|
| (a) Trade Receivables considered good- secured | - | - |
| (b) Trade Receivables considered good- unsecured | 2,23,23,755.42 | 1,41,94,341.29 |
| (c)Trade Receivables which have significant increase in Credit Risk | - | - |
| (d) Trade Receivables -Credit impaired | - | - |
| | 2,23,23,755.42 | 1,41,94,341.29 |
| Less: Allowance for doubtful receivables | - | - |
| | 2,23,23,755.42 | 1,41,94,341.29 |

Trade receivables ageing schedule as on 30-09-2024

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 6 Months | 6 months- 1 year | 1-2 years | More than 2 years | Total |
| (i) Undisputed Trade receivables – considered good | 1,76,49,212.69 | 26,05,835.80 | - | 20,68,706.93 | 2,23,23,755.42 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - |
| (v) Disputed Trade Receivables – credit impaired | - | - | - | - | - |
| (vi) Disputed Trade Receivables– which have significant increase in credit risk | - | - | - | - | - |
| Total | 1,76,49,212.69 | 26,05,835.80 | - | 20,68,706.93 | 2,23,23,755.42 |

Trade receivables ageing schedule as on 31-03-2024

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 6 Months | 6 months- 1 year | 1-2 years | More than 2 years | Total |
| (i) Undisputed Trade receivables – considered good | 1,05,29,041.90 | 83,595.00 | 35,81,704.39 | - | 1,41,94,341.29 |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - |
| (v) Disputed Trade Receivables – credit impaired | - | - | - | - | - |
| (vi) Disputed Trade Receivables– which have significant increase in credit risk | - | - | - | - | - |
| Total | 1,05,29,041.90 | 83,595.00 | 35,81,704.39 | - | 1,41,94,341.29 |

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Note 8

| CASH AND CASH EQUIVALENTS | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|
| (a) Balances with banks | | |
| On Current Account | 7,45,273.71 | 2,24,429.25 |
| (b) Cash on hand | 69,782.90 | 77,673.90 |
| | 8,15,056.61 | 3,02,103.15 |

Note 9

| LOANS (CURRENT) | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|
| (a) Loan Receivables considered good- secured | - | - |
| (b) Loan Receivables considered good- unsecured | 2,00,000.00 | 1,86,000.00 |
| (c) Loan Receivables which have significant increase in credit risk | - | - |
| (d) Trade Receivables- credit impaired | - | - |
| | 2,00,000.00 | 1,86,000.00 |
| Less: Allowance for doubtful loans | - | - |
| | 2,00,000.00 | 1,86,000.00 |

No Loans or advances granted to promoters, directors , KMPS and the related parties

Note 10

| CURRENT TAX ASSETS | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|
| TDS/TCS receivable * | 40,561.99 | - |
| | 40,561.99 | - |

* TDS /TCS credit has been set off with current tax payable

Note 11

| OTHER CURRENT ASSETS | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|
| **Advances other than capital advances :** | | |
| **Other advances :** | | |
| GST receivable | - | - |
| Advance to creditors | 21,37,443.08 | 6,18,937.00 |
| -prepaid expenses | 12,433.57 | 33,250.00 |
| -employees advances | 1,37,564.00 | 3,04,199.00 |
| Income Tax Refund | 3,92,900.00 | 8,500.00 |
| **Other Current Assets :** | | |
| MEIS Receivable | 31,04,565.00 | 31,04,565.00 |
| Other Assets | - | 53,05,407.50 |
| | 57,84,905.65 | 94,74,858.50 |

Note 12

| SHARE CAPITAL : | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|
| **Authorised*** : | | |
| P.Y. 72000 Equity Share of Rs.100/-each | 72,00,000.00 | 72,00,000.00 |
| C.Y. 72000 Equity Share of Rs.100/-each | 72,00,000.00 | 72,00,000.00 |
| Issued,subscribed and fully paid | | |
| 66430 Equity Share of Rs.100/-each (P.Y. 66430 Equity Share of Rs. 100 each) | 66,43,000.00 | 66,43,000.00 |
| | 66,43,000.00 | 66,43,000.00 |

| Reconciliation of number of shares : | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|
| Face value per share (Rs.) | 100 | 100 |
| Number of Equity Shares outstanding at the beginning of the reporting period | 66,430 | 66,430 |
| No. of Equity Shares issued during the year | - | - |
| | 66,430 | 66,430 |
| Less : Deduction during the year | - | - |
| Number of Equity Shares outstanding at the end of the reporting period | 66,430 | 66,430 |

| Name of the shareholders holding more than 5% shares in the company | | As at 30.09.2024 | | As at 31.03.2024 | |
|---|---|---|---|---|---|
| Name of shareholder | Class | No. of shares | % | No. of shares | % |
| Sah Polymers Limited | Equity | 33884 | 51.01 | 33884 | 51.01 |
| Fatima Moti | Equity | 4500 | 6.77 | 4500 | 6.77 |
| Murtaza Moti | Equity | 28046 | 42.22 | 28046 | 42.22 |

* There is no changes in shareholding patterns since Sep 2024

| Shares held by promoters at the end of the period | | | % Change during the Period | |
|---|---|---|---|---|
| Promoter name | No of shares | % of total shares | As at 30.09.2024 | As at 31.03.2024 |
| Sah Polymers Limited | 33884 | 51.01 | 0 | 51.01 |
| Total | 33884 | 51.01 | 0 | 51.01 |

| Shares held by holding Company | | As at 30.09.2024 | | As at 31.03.2024 | |
|---|---|---|---|---|---|
| Name of holding Company | Class | No of shares | % Holding | No of shares | % Holding |
| Sah Polymers Limited | Equity | 33884 | 51.01 | 33884 | 51.01 |

The Company has only one class of shares referred to as the equity shares having face value of Rs. 100/- each. Each holder of equity share is entitled to one vote per share. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by the Shareholders at the Annual General Meeting.
The Company has not allotted any shares pursuant to contract without payment being received in cash
There are no call unpaid on equity shares.
No shares have been reserved for issue on option
No equity shares have been forfeited.

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Note 13
OTHER EQUITY

| Particulars | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|
| 1.SECURITIES PREMIUM | | |
| As per the last year accounts | 3,80,91,075.00 | 3,80,91,075.00 |
| Add: Addition during the period | - | - |
| | 3,80,91,075.00 | 3,80,91,075.00 |
| 2. RETAINED EARNINGS | | |
| As per the last year accounts | 1,82,65,744.60 | 1,56,49,611.55 |
| Add: Surplus for the period | 2,09,573.55 | 26,16,133.05 |
| | 1,84,75,318.15 | 1,82,65,744.60 |
| TOTAL | 5,65,66,393.15 | 5,63,56,819.60 |

1. Share Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Act.

2 Retained Earnings:

This Reserve represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

Note 14

| BORROWINGS -CURRENT : | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|
| SECURED : | | |
| From banks | | |
| (I) UCO Bank - CC | 2,66,30,931.73 | 1,92,60,985.77 |
| | 2,66,30,931.73 | 1,92,60,985.77 |
| UNSECURED : | | |
| From Other Than banks : | | |
| (I) Sah Polymer Ltd | 3,05,00,000.00 | 2,63,00,000.00 |
| (Repable on demand) | 3,05,00,000.00 | 2,63,00,000.00 |
| | 5,71,30,931.73 | 4,55,60,985.77 |

(I) Borrowings from UCO Bank is a fund based cash credit facility and is secured against all present and future current assets and fixed assets including immovable assets of the Company situated at G-1 202-203,IID centre RIICO, kaladwas , Udaipur and E-260-261, Mewar Industrial Area Madri, Udaipur. The loan is repayable on demand. It is also secured by personal guarantee of directors Mr Murtuza Ali Mirzi and corporate guarantee of Sah Polymers Ltd.

(V) Loan Taken from Holding Company @ 12% Interest p.a.

There is no continuing default in the payment of interest.

Note 15

| TRADE PAYABLES | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,80,74,894.42 | 1,35,73,760.35 |
| | 1,80,74,894.42 | 1,35,73,760.35 |

Trade payables ageing schedule as at 30-09-2024

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | More than 2 years | TOTAL |
| (i) Undisputed -Micro & small enterprises | 1,80,74,894.42 | - | - | - | 1,80,74,894.42 |
| (ii) Undisputed Others | | | - | - | - |
| (iii) Disputed dues - Micro & small enterprises | | | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |
| Total | 1,80,74,894.42 | | | - | 1,80,74,894.42 |

Trade payables ageing schedule as at 31-03-2024

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 6 | 6 months- 1 year | 1-2 years | More than 2 years | TOTAL |
| (i) Undisputed -Micro & small enterprises | 1,35,73,760.35 | - | - | - | - |
| (ii) Undisputed Others | | - | - | - | - |
| (iii) Disputed dues - Micro & small enterprises | - | - | - | - | - |
| (iv) Disputed dues - Others | | | | - | - |
| Total | 1,35,73,760.35 | - | - | - | 1,35,73,760.35 |

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Note 16

| OTHER CURRENT LIABILITIES | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|
| Statutory Liabilities | 19,68,265.00 | 19,89,323.11 |
| Advance received from customers | 49,09,111.00 | 15,23,878.03 |
| Other Payable | - | - |
| | 68,77,376.63 | 35,13,201.14 |

Note 17

| PROVISIONS | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|
| Provision for Leave encashment | 6,12,528.00 | 5,13,360.00 |
| Provision for Gratuity | 26,68,223.00 | 19,64,664.00 |
| | 32,80,751.00 | 24,78,024.00 |

Note 18

| CURRENT TAX LIABILITIES | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|
| Income Tax Payable (Net of credit) | - | 4,22,476.08 |
| | - | 4,22,476.08 |

Note 19

| REVENUE FROM OPERATIONS | For Half Year Ended 30.09.2024 | For the year ended 31.03.2024 |
|---|---|---|
| **Sales** | | |
| **Products** | | |
| Indigenous | 6,68,18,510.98 | 10,65,69,097.51 |
| Export | 3,95,98,837.97 | 10,79,43,208.47 |
| **Trade Goods** | | |
| Indigenous | 1,24,88,285.58 | 3,32,91,620.30 |
| Export | - | 1,47,72,407.61 |
| **Sale of Services** | | |
| Income from labwork | 3,14,86,180.00 | 4,98,28,778.70 |
| Income from Commission | - | - |
| | 15,03,92,034.53 | 33,24,07,112.65 |

Note 20

| OTHER INCOME | For Half Year Ended 30.09.2024 | For the year ended 31.03.2024 |
|---|---|---|
| Income from Interest | 266.00 | 1,983.01 |
| Miscellenous Income | 24.02 | 46,079.65 |
| Foreign Exchange Fluctation | 3,38,886.63 | 12,99,673.36 |
| | 3,39,176.65 | 13,47,716.22 |

Note 21

| COST OF MATERIAL CONSUMED | For Half Year Ended 30.09.2024 | For the year ended 31.03.2024 |
|---|---|---|
| Opening Stock | 3,75,32,667.46 | 5,83,64,990.41 |
| Add: Purchases + Expenses | 9,09,07,923.04 | 17,05,68,934.59 |
| | 12,84,60,590.50 | 22,89,33,925.00 |
| Less: Closing Stock | 3,66,12,202.00 | 3,75,32,667.46 |
| | 9,18,48,388.50 | 19,13,81,257.54 |

Note 22

| Purchases of Stock-in-Trade | For Half Year Ended 30.09.2024 | For the year ended 31.03.2024 |
|---|---|---|
| Traded goods | 1,18,29,219.40 | 6,41,65,766.34 |
| | 1,18,29,219.40 | 6,41,65,766.34 |

Note 23

| CHANGES IN INVENTORIES | For Half Year Ended 30.09.2024 | For the year ended 31.03.2024 |
|---|---|---|
| **Opening Stock :** | | |
| Finished Goods | 62,79,504.00 | 1,00,26,660.73 |
| Work-in-progress | 8,96,14,467.54 | 07,49,987.00 |
| | 8,58,93,971.54 | 1,07,76,647.73 |
| **Less :Closing Stock :** | | |
| Finished Goods | 1,21,08,583.59 | 62,79,504.00 |
| Work-in-progress | 6,06,27,311.54 | 4,96,14,467.54 |
| | 7,27,35,895.13 | 5,58,93,971.54 |
| | (1,68,41,923.59) | (3,91,17,323.81) |

Note 24

| EMPLOYEE BENEFITS | For Half Year Ended 30.09.2024 | For the year ended 31.03.2024 |
|---|---|---|
| (i) Salaries, wages and bonus | 1,61,49,320.00 | 2,47,57,445.00 |
| (ii) Contribution to provident and other funds | 3,19,100.00 | 5,86,323.00 |
| (iii) Gratuity | 7,37,300.00 | 6,40,669.00 |
| (iv) Leave encashment | 1,09,008.00 | 4,74,060.00 |
| (v) Staff welfare expenses | 14,65,006.00 | 32,74,265.98 |
| | 1,87,79,869.00 | 2,97,32,762.98 |

Note 25

| FINANCE COSTS | For Half Year Ended 30.09.2024 | For the year ended 31.03.2024 |
|---|---|---|
| (i) Interest on loan | 26,72,031.00 | 51,31,229.00 |
| (ii) Interest on TCS /TDS/Income Tax /GST | 52,770.00 | 1,04,394.00 |
| (iii) Other interest | 9,552.00 | - |
| (iv) Bank Loan Processing Charges | 90,000.00 | 1,05,000.00 |
| | 28,24,773.00 | 56,20,623.00 |

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Note 26

| OTHER EXPENSES | For Half Year Ended 30.09.2024 | For the year ended 31.03.2024 |
|---|---|---|
| Job work charges | 1,22,08,508.60 | 1,55,81,282.00 |
| Store & Spares | 16,37,105.60 | 28,40,954.17 |
| Power & Fuel Expenses | 20,22,109.49 | 36,82,622.51 |
| Rent of Plant & Machinery | 9,42,000.00 | 16,84,000.00 |
| Packing Material | 10,77,357.50 | 17,10,392.00 |
| Repairs & Maintenance- Plant & Machinery | 5,61,739.98 | 13,79,992.23 |
| Bag Printing Expenses | 4,26,555.00 | 8,40,358.50 |
| Factory Expenses | 38,671.00 | 1,54,161.99 |
| Quality Control Expenses | 1,36,500.00 | 3,77,560.00 |
| Manufacturing expenses | 1,41,39,442.08 | 2,86,56,703.00 |
| Rent of Land & Building | 24,11,500.00 | 42,00,100.00 |
| Legal & Professional Fees | 4,45,461.40 | 7,67,966.14 |
| Conveyance Expenses | 1,27,903.00 | 3,40,856.00 |
| Insurance- Expenses | 14,188.84 | 1,80,188.22 |
| Payment to Auditors | | |
| (i) Statutory Audit | 6,250.00 | 12,500.00 |
| (ii) Tax Audit | 6,250.00 | 12,500.00 |
| Repair & Maintenance-Building & Others | 89,492.94 | 4,01,169.20 |
| Security & Safety Expenses | - | - |
| Printing & Stationary Expenses | 53,874.00 | 1,06,207.70 |
| Telephone & Internet | 63,431.40 | 96,849.15 |
| Software & License Fees | 52,195.00 | 1,14,378.00 |
| Postage & Courier Exp | 7,210.00 | 1,30,507.95 |
| Membership & Subscription | 31,711.80 | 29,000.00 |
| Other Administrative Expenses | 4,534.00 | 32,018.20 |
| Sundry Balance Written Off | 122.01 | 10,641.62 |
| Freight Charges | 6,90,380.00 | 48,79,853.79 |
| Clearing & Forwarding | 10,60,574.00 | 18,36,078.84 |
| Business promotion exp | - | 3,200.00 |
| Commission Expenses | 1,82,812.00 | 2,34,403.00 |
| Loading & Unloading Charges | 2,08,403.00 | 4,48,321.00 |
| Foreign Exchange Gain/loss | - | - |
| Other Selling & Distribution Expenses | 2,925.00 | 30,794.10 |
| Bank Charges | 1,49,380.79 | 6,97,542.62 |
| Vehicle Running & Maintenance Expenses | 1,32,480.00 | 1,89,823.87 |
| Travelling Expenses | 12,735.00 | 28,000.00 |
| Discount | - | 2,40,629.14 |
| | 3,98,43,525.49 | 7,48,03,757.44 |

Note 27
Tax expense

| | For Half Year Ended 30.09.2024 | For the year ended 31.03.2024 |
|---|---|---|
| Tax expense recognised in the Statement of Profit and Loss | | |
| Current Tax : | | |
| Current tax | 6,66,304.80 | 17,88,124.00 |
| Deferred tax (Net) | 6,47,043.04 | 7,21,545.00 |
| Mat Credit Entitlement | - | |
| Total tax expenses | 13,13,347.84 | 25,09,669.00 |

Reconciliation of tax expenses and the accounting profit
The reconciliation between estimated income tax at statutory income tax rate into income tax expenses reported in Statement of Profit and Loss is given below

| | For Half Year Ended 30.09.2024 | For the year ended 31.03.2024 |
|---|---|---|
| Profit before income tax | 15,22,921.39 | 51,25,802.05 |
| Indian statutory income tax rate | 26.00% | 26.00% |
| Expected income tax expenses | 3,95,959.56 | 13,32,708.53 |
| **Tax effect of adjustment to reconcile expected income tax Expenses to reported Income tax Expenses** | | |
| Tax impact of income not subject to tax | | |
| Tax effects of amounts which are not deductible for taxable income | | |
| Tax impact due to 43B of the Income tax Act,1961 | 2,33,142.46 | 2,90,844.06 |
| MAT credit adjustments | - | (2,31,183.00) |
| Others | (4,710.44) | 1,84,270.47 |
| | 2,28,432.02 | 2,24,271.53 |
| Total income tax expenses | 6,24,391.58 | 15,56,980.06 |
| Effective rate of tax (%) | 41.01 | 30.37 |

Note 28
Earnings per share

| | For Half Year Ended 30.09.2024 | For the year ended 31.03.2024 |
|---|---|---|
| Earning per share has been computed as under | | |
| (a) Profit for the year | 2,09,573.55 | 26,16,133.03 |
| (b) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share | 66430.00 | 66430.00 |
| (c) Effect of potential Equity shares on conversion of outstanding share warrants | - | - |
| (d) Weighted average number of equity shares in computing diluted earnings per share [(b) + (c)] | 66430.00 | 66430.00 |
| (e) Earnings per share on profit for the year (Face Value Rs. 100.00 per share) | | |
| -Basic (a/b) | 3.15 | 39.38 |
| -Diluted (a/c) | 3.15 | 39.38 |

Note 29
Contingent liabilities and commitments :
There are no contingent liabilities or Commitments for the company as on 30.09.2024

Note 30
Financial Instruments and Related Disclosures
1. Capital Management
The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals, borrowings etc. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

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2. Categories of financial instruments

| Particulars | Note | As at 30.09.2024 | | As at 31.03.2024 | |
|---|---|---|---|---|---|
| | | Carrying Value | Fair Value | Carrying Value | Fair Value |
| Financial assets | | | | | |
| Measured at amortised cost | | | | | |
| i) Cash and cash equivalent | 8 | 8,15,038.61 | 8,15,038.61 | 3,02,102.15 | 3,02,102.15 |
| ii) Trade receivables | 7 | 2,23,23,755.42 | 2,23,23,755.42 | 1,41,94,341.29 | 1,41,94,341.29 |
| iii) Other financial assets | 8,9 | 9,89,150.00 | 9,89,150.00 | 9,69,150.00 | 9,69,150.00 |
| Total Financial assets | | 2,41,27,962.03 | 2,41,27,962.03 | 1,54,65,593.44 | 1,54,65,593.44 |
| Financial Liabilities | | | | | |
| Measured at amortised cost | | | | | |
| i) Cash Credit facilities | 14 | 2,66,36,931.75 | 2,66,36,931.75 | 1,92,66,985.77 | 1,92,66,985.77 |
| ii)Borrowings | 14 | 3,05,00,000.00 | 3,05,00,000.00 | 2,63,00,000.00 | 2,63,00,000.00 |
| iii) Trade payables | 15 | 1,80,74,894.42 | 1,80,74,894.42 | 1,35,73,760.35 | 1,35,73,760.35 |
| iv) Other financial liabilities | 16-18 | 1,01,58,127.63 | 1,01,58,127.63 | 64,13,701.22 | 64,13,701.22 |
| Total financial liabilities | | 8,53,69,953.78 | 8,53,69,953.78 | 6,55,54,447.34 | 6,55,54,447.34 |

**3 : FINANCIAL RISK MANAGEMENT**

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of its financial markets on its financial performance. The Company does regularly monitor ,analyze and manage the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

**A. MANAGEMENT OF MARKET RISK:**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings and investments.

The Company has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

**(i) Management of interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks since its borrowings and investments are all in fixed rate instruments.

**(ii) Management of price risk:**

The Company has no surplus for investment in debt mutual funds, deposits etc. The Company does make deposit with the banks to provide security/margin against guarantee given by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in

**(iii) Management of currency risks:**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposures limits, periodic monitoring of the exposures etc. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rates against foreign currencies.

Exposure to currency risk(The Company has exposure only in USD/EURO/GBP converted to functional currency i.e INR)

The currency profile of financial assets and financial liabilities as at 30-06-2024 are as below

| Financial assets | Exposure currency | As at 30.09.2024 | | As at 31.03.2024 | |
|---|---|---|---|---|---|
| | | FC | Rs | FC | Rs |
| Trade receivables | USD | 58,809.04 | 49,27,538.85 | 74,458.79 | 62,35,425.36 |
| | GBP | - | - | - | - |
| | | 58,809.04 | 49,27,538.85 | 5,68,394.55 | 4,85,60,811.79 |

| Financial Liability | Exposure currency | As at 30.09.2024 | | As at 31.03.2024 | |
|---|---|---|---|---|---|
| | | FC | Rs | FC | Rs |
| Trade Payable | USD | 1,892.58 | 1,55,824.78 | 1,892.58 | 1,55,824.78 |
| | GBP | 45,828.08 | 47,53,286.25 | 11,896.08 | 12,17,211.05 |
| | | 47,720.66 | 49,09,111.03 | 13,588.66 | 13,73,035.83 |

A reasonably possible 5% strengthening (weakening) of the Indian Rupee against USD/EURO /GBP at the end of the period would have affected the measurement of financial instruments denominated in USD/EURO/GBP and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

| | FC | As at | Strengthening | Weakening |
|---|---|---|---|---|
| Profit/(Loss) | USD | 30.09.2024 | 2,845.82 | 2,845.82 |
| | GBP | 30.09.2024 | 2,291.40 | 2,291.40 |
| | USD | 31.03.2024 | 3,628.31 | 3,628.31 |
| | EURO | 31.03.2024 | 584.80 | 584.80 |

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B. MANAGEMENT OF CREDIT RISK

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and financing activities including deposits with banks and financial institutions, foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by reasonable measurement.

C. MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

D. Fair value measurement

**Fair value hierarchy**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

| Particulars | Fair value hierarchy | As at 30.09.2024 | As at 31.03.2024 |
|---|---|---|---|
| | | Fair Value | Fair Value |
| Financial assets | | | |
| Measured at amortised cost | | | |
| i) Cash and cash equivalent | L2 | 8,15,056.61 | 3,02,102.15 |
| ii) Other Bank balance | L2 | - | - |
| v) Trade receivables | L2 | 2,23,23,755.42 | 1,41,94,341.29 |
| vi) Other financial assets | L2 | 9,89,150.00 | 9,69,150.00 |
| Total Financial assets | | 2,41,27,962.03 | 1,54,65,593.44 |
| | | | |
| Financial Liabilities | | | |
| Measured at amortised cost | | | |
| i) Cash Credit facilities | L2 | 2,66,36,991.73 | 1,92,66,985.77 |
| ii)Term loans | L2 | - | - |
| iii) Trade payables | L2 | 1,80,74,894.42 | 1,35,71,760.35 |
| iv) Other financial liabilities | L2 | 1,01,38,127.63 | 84,13,701.22 |
| | | - | - |
| Total financial liabilities | | 5,48,49,953.78 | 3,12,54,447.34 |

Note 31

Disclosures in respect of related parties pursuant to Ind AS 24

During the year following transactions were carried out with the related parties in the ordinary course of business at arm's length price:

| Name of related party | | Nature of relation | For Half Year Ended 30.09.2024 | For the year ended 31.03.2024 | Nature of transaction |
|---|---|---|---|---|---|
| Sah Polymers Limited | | Holding Company | 40,49,120.40 | 57,23,854.34 | Job work Exp. |
| | | | 16,62,000.00 | 23,24,000.00 | Lease rent Paid |
| | | | 5,30,64,725.19 | 12,50,55,525.68 | Sales |
| | | | 1,37,67,056.05 | 11,23,18,302.23 | Purchase |
| | | | 3,73,214.13 | - | sales of P&M |
| | | | 2,49,00,000.00 | 3,12,00,000.00 | Loan Taken |
| | | | 2,67,00,000.00 | 1,94,00,000.00 | Loan repaid |
| | | | 11,96,940.00 | 27,10,225.00 | Interest Paid on loan |
| BAT industries Ltd | | Parent Holding Company | - | 30,00,000.00 | Unsecured loan Taken |
| | | | - | 30,00,000.00 | Repayment of unsecured |
| | | | - | 2,959.00 | Interest on unsecured loan |
| Salary | | Key Management Personnel | 6,00,000.00 | 12,00,000.00 | Salary |

| Closing balances | | |
|---|---|---|
| Name | As at 30/09/2024 | As at 31/03/2024 |
| Sah Polymers Limited | 3,05,00,000 Cr | 2,63,00,000 Cr |

No amount in respect of the related parties have been written off/back are provided for during the period.

Related party relationship has been identified by the Management and relied upon by the auditors.

Note- 32

**EMPLOYEE BENEFITS**

**a) DEFINED CONTRIBUTION PLAN**

Provident Fund:

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

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b) DEFINED BENEFIT PLAN

Gratuity

The Company offers its employees defined benefit Plans in the form of a Gratuity Scheme. Benefits under the defined benefit plan is typically based either on years of service and the employee's compensation (generally immediately before retirement). The Gratuity scheme covers substantially all regular employees. The Company contributes funds to Life Insurance Corporation of India, which is irrevocable. Contributions are actuarially determined at year end. The actuarial valuation is done based on ""Projected Unit Credit" "method. Gains & Losses of changed actuarial assumptions are charged to the profit and loss account. The obligations for leave Encashment is recognized in the same manner as gratuity. "

**Provident Fund:**

The Company makes Provident Fund contribution to the Government administered Provident fund. The Company has no part to play in this respect.

**c) Amounts Recognised as Expense:**

**i) Defined Contribution Plan**

Employer's Contribution to Provident Fund including contribution to Family Pension Fund amounting to Rs. 234899 (as on 30-09-24), Rs. 413837 (as on 31-03-24) has been included under Contributions to Provident and Other Funds.

**ii) Defined Benefit Plan**

Gratuity amount has been included in Note 25 under

Deferred Tax Assets /Liability

| | For Half Year Ended 30.09.2024 | For the year ended 31.03.2024 |
|---|---|---|
| Provisions | (4,55,648.44) | 1,91,394.60 |
| Others | | - |
| Total Deferred Tax Assets /Liability | (4,55,648.44) | 1,91,394.60 |
| Net Deferred tax (Liabilities)/Assets | (4,55,648.44) | 1,91,394.60 |

**Movement in Deferred tax Liabilities /Assets**

| | Deferred Tax Liabilities/Asset (Net) |
|---|---|
| As at 31st March, 2021 | 2,27,375.15 |
| (Charged)/Credited to profit and Loss account | - |
| As at 31st March, 2022 | 2,27,375.15 |
| (Charged)/Credited to profit and Loss account | 6,85,564.45 |
| As at 31st March, 2023 | 9,12,939.60 |
| (Charged)/Credited to profit and Loss account | (7,21,545.00) |
| As at 31st March, 2024 | 1,91,394.60 |
| (Charged)/Credited to profit and Loss account | (6,47,043.04) |
| As at 30th Sep, 2024 | (4,55,648.44) |

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

**Note 33**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due to further interest due and payable in the succeeding years. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

| Information relating to the Micro, Small and Medium Enterprises | For Half Year Ended 30.09.2024 | For the year ended 31.03.2024 |
|---|---|---|
| (a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:<br>(i) Principal amount<br>(ii) Interest | - | - |
| (b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| (c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |
| (d) The amount of interest accrued and remaining unpaid at the end of each accounting year; | - | - |
| (e) The amount of interest accrued and remaining unpaid at the end of each accounting year. | - | - |

**Note 34**

**SEGMENT INFORMATION**

The Company operates in one primary business segment viz. Manufacturing of PP Woven Bags & Sacks.

Secondary:

| GEOGRAPHICAL INFORMATION | Sep 30,2024 | March 31,2024 |
|---|---|---|
| Non Current Assets – Within India | 86,80,062.48 | 90,26,580.00 |
| – Outside India | - | - |
| Revenue from external customers – Within India | 11,07,93,176.56 | 20,96,91,496.57 |
| – Outside India | 1,39,98,857.97 | 12,27,15,616.08 |

**Note 35**

The Company has elected not apply the Indian Accounting Standard (Ind AS) 116- Leases to account for those leases where underlying assets is of low value.

**Note 36**

Balances of banks, sundry debtors and trade payables , current liabilities etc. as on 30.09.2024 are subject to confirmation and reconciliation.

**Note 37**

In the opinion of the Management ,there is no impairment of assets in accordance with the Ind AS -36 as on the Balance Sheet date.

**Note 38**

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There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

Note 39
In the opinion of the Management ,there is no impairment of assets in accordance with the Ind AS -36 as on the Balance Sheet date.

Note 40
There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

Note 41
The financial statements were authorized for issue by the Board of Directors on

Note 42
All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimal thereof as per the requirements of Schedule III to the Companies Act,2013, unless otherwise stated.

Note 43
Previous year's figures have been reclassified/regrouped wherever necessary to conform with the current Financial Statements.

Note 44

No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions ( Prohibition) Act,1988 and rules made thereunder.

Note 45
The Company is not a declared willful defaulter by any bank or financial institution or other lender.

Note 46

Note 47
There is no charges or satisfaction yet to be registered with ROC beyond the statutory period.

Note 48
The Company has no subsidiary , therefore ,compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act,2013 read with the Companies (Restriction on number of Layers) Rules,2017, is not applicable.

Note 49

Ratios

| Particulars | Ratio For Half Year Ended 30.09.2024 | For the year ended 31.03.2024 | Explanation* |
|---|---|---|---|
| (a) Current ratio | 1.64 | 1.82 | changes in CA & decrease in CL |
| (b) Debt equity ratio | 0.90 | 0.72 | changes in borrowing & equity |
| (c) Return on Equity Ratio | 0.03 | 0.19 | changes in turnover |
| (d) Inventory turnover ratio | 1.25 | 3.49 | changes in turnover |
| (e) Trade Receivables turnover ratio | 0.15 | 0.04 | changes in debtors/turnover |
| (f) Trade payables turnover ratio | 0.12 | 0.04 | changes in liability & Turnover |
| (g) Net capital turnover ratio | 2.74 | 6.16 | changes turnover |
| (h) Net profit ratio | 0.14 | 0.78 | changes in turnover |
| (i) Return on Capital employed | 0.02 | 0.08 | changes in turnover & margin |
| (j) Return on investment | 0.23 | 0.77 | changes in turnover & margin |

* Explanation for any change in ratio by more than 25% as compared to previous year.

Note 50
No Scheme of Arrangement has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act,2013.

Note 51
Utilisation of Borrowed funds and share premium :

(a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding ( whether recorded in writing or otherwise) that the Intermediary (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company(ultimate Beneficiaries ) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Company has not received any fund from any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate Beneficiaries ) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Note 52
There is no transaction recorded in the books of account that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act,1961. Further there is no previously unrecorded income and related assets requiring recording in the books of account.

Note 53
The Company is not covered under section 135 of the Companies Act, 2013.

Note 54
The Company has not traded or invested in Crypto currency or Virtual Currency during the period.

for and on behalf of
AJAY PALIWAL & CO.
Chartered Accountants
FRN : 121143C

AJAY PALIWAL
Proprietor
M.No. 403290
Udaipur, October 22,2024
UDIN:

for and on behalf of the Board

Murtaza Ali Moti
Director
DIN No. 07876224

Fatma Moti
Director
DIN No. 07876195

Note : 12
Statement of Changes in equity

**A. Equity Share Capital**
**(1) Current reporting period-30/09/2024**

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|---|---|---|---|---|
| 6643000 | - | 66,43,000.00 | 0.00 | 66,43,000.00 |
| | | | | |

**(2) Previous reporting period**

**As at 31/03/2024**

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|---|---|---|---|---|
| 6043000 | - | 60,43,000.00 | 600000.00 | 66,43,000.00 |
| | | | | |

B. Other equity

| Particulars | Capital Reserve | Securities premium | Other Reserves(specify nature-Capital Subsidy) | Retained earnings | Total |
|---|---|---|---|---|---|
| Balance as at 31/03/2024 | | 3,80,91,075.00 | | 1,82,65,744.60 | 5,63,56,819.60 |
| Profit for the year | | | | 2,09,573.55 | 2,09,573.55 |
| Other comprehensive income | | | | | |
| Restated balance at the beginning of the reporting period | | | | | |
| Total Comprehensive income for the year | | | | | |
| Balance as at 30/09/2024 | | 3,80,91,075.00 | | 1,84,75,318.15 | 5,65,66,393.15 |
| | | | | | |
| | | | | | |
| Balance as at 31/03/2023 | | 3,80,91,075.00 | | 1,56,49,611.55 | 5,37,40,686.55 |
| Profit for the year | | | | 26,16,133.05 | 26,16,133.05 |
| Other comprehensive income | | - | | | - |
| Restated balance at the beginning of the reporting period | | | | | - |
| Total Comprehensive income for the year | | | | | - |
| Balance as at 31/03/2024 | | 3,80,91,075.00 | | 1,82,65,744.60 | 5,63,56,819.60 |

for and on behalf of
AJAY PALIWAL & CO.,
Chartered Accountants
FRN : 012345C

AJAY PALIWAL
Proprietor
M.No. 403290
Udaipur. October 22,2024
UDIN:

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

for and on behalf of the Board

Murtaza Ali Moti
Director
DIN No: 07876224

Fatima Moti
Director
DIN No: 07876195

# FIBCORP POLYWEAVE PRIVATE LIMITED

For the Period ended on 30-09-2024

NOTE NO. - 3 PROPERTY

| Particulars | Office Building | Plant and Equipment | Furniture and fixtures | Vehicles | Office Equipments | Laboratory equipment | Electrical Installations and Equipment | Computer | Total |
|---|---|---|---|---|---|---|---|---|---|
| **For the period ended Sep. 2024** | | | | | | | | | |
| **GROSS CARRYING AMOUNT** | | | | | | | | | |
| Opening Gross Carying Amount | 8,50,707.22 | 91,04,339.93 | 26,33,426.81 | 4,69,280.95 | 17,21,140.73 | 2,99,500.00 | 31,12,458.62 | 12,08,701.44 | 1,93,99,555.70 |
| Additions | - | 7,55,520.00 | 3,80,009.20 | | | | 27,000.00 | | 11,62,529.20 |
| Disposals/Adjustment | | 6,16,785.00 | | | | | | | |
| **Closing Gross Carrying Amount** | 8,50,707.22 | 92,43,074.93 | 30,13,436.01 | 4,69,280.95 | 17,21,140.73 | 2,99,500.00 | 31,39,458.62 | 12,08,701.44 | 1,99,45,299.90 |
| **ACCUMULATED DEPRECIATION** | | | | | | | | | |
| Opening Accumulated Depreciation | 2,07,522.73 | 51,74,966.65 | 16,17,286.76 | 3,19,399.75 | 8,38,076.47 | 2,49,880.20 | 19,20,069.44 | 10,20,318.30 | 1,13,47,520.30 |
| Depreciation charge during the Period | 30,551.26 | 3,16,700.99 | 1,57,047.63 | 19,402.12 | 1,98,998.53 | 6,423.28 | 1,55,822.78 | 59,491.40 | 9,44,437.99 |
| Disposals/Adjustments | | 2,43,570.87 | | | | | | | 2,43,570.87 |
| **Closing Accumulated Depreciation** | 2,38,073.99 | 52,48,096.77 | 17,74,334.39 | 3,38,801.87 | 10,37,075.00 | 2,56,303.48 | 20,75,892.22 | 10,79,809.70 | 1,20,48,387.42 |
| **Net Carrying Amount** | 6,12,633.23 | 39,94,978.16 | 12,39,101.62 | 1,30,479.08 | 6,84,065.73 | 43,196.52 | 10,63,566.40 | 1,28,891.74 | 78,96,912.48 |
| | | | | | | | | | |
| **For Year ended March,2024** | | | | | | | | | |
| **GROSS CARRYING AMOUNT** | | | | | | | | | |
| Opening Gross Carying Amount | 8,50,707.22 | 90,37,327.93 | 24,08,031.05 | 4,69,280.95 | 12,46,564.46 | 2,99,500.00 | 31,12,458.62 | 10,29,807.45 | 1,84,53,677.68 |
| Additions | - | 67,012.00 | 2,25,395.76 | | 4,74,576.27 | | | 1,78,893.99 | 9,45,878.02 |
| Disposals/Adjustment | | | | | | | | | |
| **Closing Gross Carrying Amount** | 8,50,707.22 | 91,04,339.93 | 26,33,426.81 | 4,69,280.95 | 17,21,140.73 | 2,99,500.00 | 31,12,458.62 | 12,08,701.44 | 1,93,99,555.70 |
| **ACCUMULATED DEPRECIATION** | | | | | | | | | |
| Opening Accumulated Depreciation | 1,40,006.13 | 43,19,334.25 | 13,00,116.39 | 2,67,039.41 | 3,86,095.94 | 2,32,545.66 | 15,03,513.65 | 8,56,685.54 | 90,05,336.97 |
| Depreciation charge during the Period | 67,516.60 | 8,55,632.40 | 3,17,170.37 | 52,360.34 | 4,51,980.53 | 17,334.54 | 4,16,555.79 | 1,63,632.76 | 23,42,183.33 |
| Disposals/Adjustments | | | | | | | | | |
| **Closing Accumulated Depreciation** | 2,07,522.73 | 51,74,966.65 | 16,17,286.76 | 3,19,399.75 | 8,38,076.47 | 2,49,880.20 | 19,20,069.44 | 10,20,318.30 | 1,13,47,520.30 |
| **Net Carrying Amount** | 6,43,184.49 | 39,29,373.28 | 10,16,140.05 | 1,49,881.20 | 8,83,064.26 | 49,619.80 | 11,92,389.18 | 1,88,383.14 | 80,52,035.40 |

Note :

(a) The Company has not revalued its Property, Plant and Equipment .

(b) The Company has not revlaued its intangible assets.

(c) The Company does not have capital work in progress.

(d ) There is no intangible assets under development.

AJAY PALIWAL & CO. UDAIPUR Chartered Accountants

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
SAH POLYMERS LIMITED**

1. We have reviewed the accompanying statement of unaudited financial results of Sah Polymers Limited (the "Company") for the quarter ended September 30, 2024 and year to date from April 1, 2024 to September 30, 2024 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

310-313, Arihant Plaza, Near State Bank of India, Udiyapole, Udaipur-313001
: 97853 90875 : hrjainca@gmail.com

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For H R JAIN & CO.,**
Chartered Accountants
Firm's Registration No. 000262C




Manoj Jain
Partner
Place of signature: Udaipur
Membership No.: 400459
Date: October 25, 2024
ICAI UDIN: 24400459BKENHT6467

# SAH POLYMERS LIMITED

Regd. Office : E-260-261,Mewar Industrial Area,Madri,Udaipur -313003
CIN:L24201RJ1992PLC006657
Email:info@sahpolymers.com website: www.sahpolymers.com
Tel : 0294-2490534 Fax No. 0294-2490534

**Statement of Standalone Unaudited Financial Results for the quarter and half year ended 30th September,2024** (₹ in lakhs )

| Particulars | | 3 months ended 30/09/2024 | Preceding 3 months ended 30/06/2024 | Corresponding 3 months ended in the previous year 30/09/2023 | Year to date figures for the current period ended 30/09/2024 | Year to date figures for the current period ended 30/09/2023 | Previous year ended 31/03/2024 |
|---|---|---|---|---|---|---|---|
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| Income: | | | | | | | |
| Revenue from operations | 1 | 3133.09 | 2402.08 | 2634.28 | 5535.17 | 4593.97 | 10076.10 |
| Other income | 2 | 89.14 | 29.25 | 45.20 | 118.39 | 91.25 | 219.34 |
| **Total Income (1+2)** | 3 | 3222.23 | 2431.33 | 2679.48 | 5653.56 | 4685.22 | 10295.44 |
| Expenses : | | | | | | | |
| Cost of Materials consumed | | 1646.42 | 1595.82 | 1579.65 | 3242.24 | 2804.18 | 5773.77 |
| Purchases of Stock-in-Trade | | 28.34 | 34.19 | 168.44 | 59.53 | 435.91 | 664.81 |
| Changes in inventories of finished goods work-in-progress and Stock -in-Trade | | 111.41 | -461.42 | -107.60 | -350.01 | -453.43 | -174.46 |
| Employee benefits expense | | 131.98 | 119.43 | 118.39 | 251.41 | 238.59 | 469.25 |
| Finance costs | | 74.29 | 71.91 | 68.95 | 146.80 | 140.61 | 296.76 |
| Depreciation and amortization expense | | 58.71 | 57.96 | 51.33 | 116.67 | 103.33 | 215.44 |
| Other expenses | | 1143.40 | 978.62 | 788.37 | 2122.02 | 1349.09 | 2965.69 |
| **Total expenses** | 4 | 3192.55 | 2396.11 | 2667.53 | 5587.66 | 4618.28 | 10211.26 |
| Profit before exceptional items and tax(3-4) | 5 | 30.68 | 35.22 | 11.95 | 65.90 | 66.94 | 84.18 |
| Exceptional items | 6 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit/(loss) before tax (5-6) | 7 | 30.68 | 35.22 | 11.95 | 65.90 | 66.94 | 84.18 |
| Less : Tax expense : | 8 | | | | | | |
| Current Tax (net of MAT) | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Deferred Tax | | 4.76 | 6.86 | 1.22 | 11.62 | 13.62 | 17.83 |
| Profit(loss)for the period from continuing operation (7-8) | 9 | 25.92 | 28.36 | 10.73 | 54.28 | 53.32 | 66.35 |
| Profit/(Loss) from discontinued operations | 10 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Tax expense of discontinued operations | 11 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit(loss)for the period from discontinued operation after tax (10-11) | 12 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit(loss) for the period (9+12) | 13 | 25.92 | 28.36 | 10.73 | 54.28 | 53.32 | 66.35 |
| Other Comprehensive Income | 16 | | | | | | |
| A(i) Item that will not be reclassified to profit or loss | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Equity Instrument through other comprehensive | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (ii) Income tax relating to item that will not be reclassified to profit or loss | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| B(i) Item that will be reclassified to profit or loss | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (ii) Income tax relating to item that will be reclassified to profit or loss | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Comprehensive Income for the period (13+16) | 17 | | | | | | |
| Comprising profit (loss) and other Comprehensive Income | | 25.92 | 28.36 | 10.73 | 54.28 | 53.32 | 66.35 |
| Paid up Equity Share Capital | | 2579.60 | 2579.60 | 2579.60 | 2579.60 | 2579.60 | 2579.60 |
| Face value per share ₹ 10/- each | | | | | | | |
| Other Equity | | | | | | | 5752.42 |
| Earnings per equity share:(for continued Operation- not annualised): | | | | | | | |
| (1) Basic | | 0.10 | 0.11 | 0.04 | 0.21 | 0.21 | 0.26 |
| (2) Diluted | | 0.10 | 0.11 | 0.04 | 0.21 | 0.21 | 0.26 |
| Earnings per equity share:(for discontinued Operation- not | | | | | | | |
| (1) Basic | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (2) Diluted | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Earnings per equity share:(for discontinued & continuing operations- not annualised) | | | | | | | |
| (1) Basic | | 0.10 | 0.11 | 0.04 | 0.21 | 0.21 | 0.26 |
| (2) Diluted | | 0.10 | 0.11 | 0.04 | 0.21 | 0.21 | 0.26 |

Notes :

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 25,2024. The same have also been subjected to Limited Review by the Statutory Auditors and the Report does not have any impact on the above "Results and Notes" for the quarter and half year ended 30th September,2024 which needs to be explained.

2. There is no exceptional item.

3. The Company publishes the standalone financial results along with the consolidated financial results. In accordance with the Ind AS 108, 'Operating Segments', the Company has disclosed the segment information in the consolidated financial results and therefore no separate disclosure on segment information is given in the standalone financial results for the quarter and half year ended on September 30, 2024.

4. This statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5.These standalone financial results are available on the Company's website viz, www.sahpolymers.com and on the websites of National Stock Exchange Limited (www.nseindia.com) and BSE Limited (www.bseindia.com).

**for SAH POLYMERS LIMITED**

Hakim Sadiq Ali Tidiwala
Wholetime Director
DIN: 00119156

Place :Udaipur
Date :October 25, 2024

**SAH POLYMERS LIMITED**

Regd. Office : E-260-261,Mewar Industrial Area Madri,Udaipur -313003

CIN:U24201RJ1992PLC006657

Email:info@sahpolymers.com website: www.sahpolymers.com

Tel : 0294-2490534 Fax No. 0294-2490534

Disclosure of standalone assets and liabilities (Balance Sheet) as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ In lakhs)

| Particulars | | As at 30th September, 2024 | As at 31st March,2024 |
|---|---|---|---|
| | | (Unaudited ) | (Audited ) |
| A | **ASSETS** | | |
| (1) | **Non-current assets** | | |
| | (a) Property,Plant & Equipment | 4902.87 | 4722.95 |
| | (b) Capital work-in-progress | 220.32 | 52.04 |
| | (c ) Goodwill | 0 | 0 |
| | (d) Other Intangible Assets | 1.31 | 1.59 |
| | (e) Financial Assets | | |
| | (i) Investments | 560.78 | 560.78 |
| | (ii) Loans | - | 1.34 |
| | (iii) Others | 176 | 227.11 |
| | (f) Other non-current assets | 18.07 | 5.68 |
| | Total (1) | 5879.35 | 5571.49 |
| (2) | **Current assets** | | |
| | (a) Inventories | 2315.35 | 2036.57 |
| | (b) Financial Assets | | |
| | (i) Investments | 0 | 0 |
| | (ii) Trade receivables | 2356.73 | 2061.28 |
| | (iii) Cash and cash equivalents | 103.32 | 725.57 |
| | (iv) Bank balances other than (iii) above | 1.16 | 540.68 |
| | (v) Loans | 1404.73 | 1007.05 |
| | (vi) Others | 14.32 | 5.24 |
| | (c) Current Tax Assets (Net) | 18.38 | 13.28 |
| | (d) Other current assets | 658.37 | 423.17 |
| | | 6872.36 | 6812.84 |
| | **Total Assets (1+2)** | 12751.71 | 12384.33 |
| | **EQUITY AND LIABILITIES** | | |
| | **Equity** | | |
| | (a) Equity Share Capital | 2579.60 | 2579.60 |
| | (b) Other Equity | 5806.70 | 5752.42 |
| | Total Equity | 8386.30 | 8332.02 |
| | **LIABILITIES** | | |
| (1) | **Non-current liabilities** | | |
| | (a) Financial Liabilities | | |
| | (i) Borrowings | 712.50 | 713.00 |
| | (ia) Lease liabilities | 0.00 | 0.00 |
| | (b) Deferred Tax Liabilities (Net) | 184.76 | 183.42 |
| | (c) Other non-current liabilities | 0.00 | 0.00 |
| | | 897.26 | 896.42 |
| (2) | **Current liabilities** | | |
| | (a) Financial Liabilities | | |
| | (i) Borrowings | 2051.98 | 2153.52 |
| | (ia) Lease liabilities | 0.00 | 0.00 |
| | (ii) Trade payables : | | |
| | (A) total outstanding dues of micro enterprises | 0.00 | 0.00 |
| | (B) total outstanding dues of creditors other than micro enterprises and small enterprises. | 989.75 | 746.65 |
| | (iii) Other financial liabilities | 2.58 | 2.59 |
| | (b) Other current liabilities | 402.14 | 244.01 |
| | (c ) Provisions | 19.15 | 9.02 |
| | (e) Current Tax Liabilities (Net) | 2.55 | 0.00 |
| | | 3468.15 | 3155.89 |
| | **Total Equity and Liabilities** | 12751.71 | 12384.33 |

SAH POLYMERS LIMITED

CASH FLOW STATEMENT FOR THE (₹ in lakhs)

| Sr. No. | Particulars | Half year ended 30.09.2024 | Half year ended 30.09.2023 |
|---|---|---|---|
| | | Unaudited | Unaudited |
| A | **Cash Flow from Operating Activities** | | |
| | Net Profit before tax | 65.90 | 66.94 |
| | Adjustments for: | | |
| | Depreciation and amortisation | 116.66 | 103.33 |
| | Interest Paid | 141.64 | 135.52 |
| | Interest received | (16.29) | (48.86) |
| | Unrealised foreign exchange fluctuation on conversion | (42.00) | (3.15) |
| | (Profit)/Loss on sale of property, plant and equipment | (0.27) | - |
| | Provision for gratuity and leave encashment. | 10.13 | 10.95 |
| | **Operating Profit before working capital changes** | 275.77 | 264.73 |
| | Adjustment for Changes in Working Capital: | | |
| | Trade Receivables | (253.42) | (672.10) |
| | Other current liabilities | 158.13 | 200.29 |
| | Financial liabilities | (0.11) | 0.53 |
| | Loan | (396.34) | 196.63 |
| | Other current financial assets | - | (5.65) |
| | Trade Payables | 243.10 | 89.05 |
| | Other non current assets | (12.39) | (37.15) |
| | Non Current Financial assets | 42.02 | (97.76) |
| | Other current assets | (235.18) | 140.63 |
| | Tax assets | (5.10) | (1.97) |
| | Inventories | (278.79) | (570.27) |
| | **Cash Generated from Operations** | (462.31) | (493.04) |
| | Income Taxes | 7.73 | 12.35 |
| | **Net Cash Inflow /(Out Flow) from Operation (A)** | **(470.04)** | **(505.39)** |
| B | **Cash Flow from Investing Activities:** | | |
| | Sale of Property, Plant and Equipment | 0.40 | - |
| | Purchase of Property, Plant and Equipment | (300.38) | (136.29) |
| | Fixed deposit matured/released | 539.52 | 223.33 |
| | Capital -work-in progress | (164.34) | (71.02) |
| | Interest received | 16.29 | 48.85 |
| | **Net Cash Inflow/(Outflow) from investing Activities (B)** | **91.49** | **64.87** |
| C | **Cash flow from Financing Activities** | | |
| | Repayment of borrowings | (147.88) | (124.78) |
| | Borrowing | - | 77.00 |
| | Dividend | - | (128.98) |
| | Interest Paid | (141.64) | (135.52) |
| | **Net Cash Inflow /(Out Flow) from Financing Activities (C)** | **(289.52)** | **(312.28)** |
| | **Net Cash & Cash equivalents (A+B+C)** | **(668.07)** | **(752.80)** |
| | CASH AND CASH EQUIVALENTS | | |
| | **As at the beginning of the year** | **725.56** | **39.80** |
| | **Less : Cash Credit** | **1578.44** | **882.12** |
| | **As at the end of the year** | **103.32** | **43.83** |
| | **Less : Cash Credit** | **1624.27** | **1,638.96** |
| | **Net Cash & Cash equivalents** | **(668.07)** | **(752.81)** |

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF**

**SAH POLYMERS LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Sah Polymers Limited** ("the Parent") ") and its subsidiary viz; **Fibcorp Polyweave Private Limited** (the Parent and its subsidiary together referred to as "the Group"), for the quarter ended September 30,2024, and year to date from April 1,2024 to September 30,2024 ("the Statement") , being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended("the Listing Regulations").

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of Sah Polymers Limited (Parent) and Fibcorp Polymers Private Limited (subsidiary).

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and

310-313, Arihant Plaza, Near State Bank of India, Udiyapole, Udaipur-313001
: 97853 90875 : hrjainca@gmail.com

measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the interim financial information of the subsidiary included in the consolidated unaudited financial information, whose interim financial information reflect

(i) total assets ₹ 1490.35 lakhs, total revenues of ₹ 763.136 lakhs, total profit after tax (net) of ₹ 0.85 lakhs and total comprehensive income net) of ₹ .85 lakhs for the quarter ended September 30, 2024, and

(ii) total assets ₹ 1490.35 lakhs, total revenues of ₹.1507.51 lakhs, total profit after tax (net) of ₹ 2.09 lakhs and total comprehensive income (net) of ₹ 2.09 lakhs for the period from April 1, 2024 to September 30,2024,

as considered in the consolidated unaudited financial results. This interim financial information has been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

**For H R JAIN & CO.,**
Chartered Accountants
Firm's Registration No. 000262C

H.R. JAIN & CO. CHARTERED ACCOUNTANTS

Manoj Jain
Partner
Place of signature: Udaipur
Membership No.: 400459
Date: October 25,2024
ICAI UDIN: 24400459BKENHU7574

**SAH POLYMERS LIMITED**

Regd. Office : E-260-261,Mewar Industrial Area,Madri,Udaipur -313003

CIN:U24201RJ1992PLC006657

Email:info@sahpolymers.com website: www.sahpolymers.com

Tel : 0294-2490534 Fax No. 0294-2490534

**Consolidated Unaudited Financial Results for the quarter and half year ended 30th September, 2024 (₹ in lakhs)**

| Particulars | | 3 months ended 30/09/2024 | Preceding 3 months ended 30/06/2024 | Corresponding 3 months ended in the previous year 30/09/2023 | Year to date figures for the current period ended 30/09/2024 | Year to date figures for the previous period ended 30/09/2023 | Previous year ended 31/03/2024 |
|---|---|---|---|---|---|---|---|
| | | (Unaudited) | Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| **Income:** | | | | | | | |
| Revenue from operations | 1 | 3390.86 | 2910.83 | 2754.08 | 6301.69 | 5083.28 | 10918.86 |
| Other income | 2 | 90.81 | 31.16 | 48.69 | 121.97 | 102.38 | 232.81 |
| **Total Income (1+2)** | 3 | 3481.67 | 2941.99 | 2802.77 | 6423.66 | 5185.66 | 11151.67 |
| Expenses : | | | | | | | |
| Cost of Materials consumed | | 1,805.54 | 1,999.28 | 1,751.38 | 3804.82 | 3294.14 | 6343.26 |
| Purchases of Stock-in-Trade | | 123.66 | 54.16 | 298.10 | 177.82 | 342.77 | 779.80 |
| Changes in inventories of finished goods work-in-progress and Stock -in-Trade | | (23.72) | (491.48) | (365.64) | -515.20 | -637.35 | -570.09 |
| Employee benefits expense | | 229.93 | 209.26 | 187.27 | 439.19 | 350.34 | 766.56 |
| Finance costs | | 82.32 | 79.76 | 74.78 | 162.08 | 153.44 | 325.86 |
| Depreciation and amortization expense | | 63.52 | 62.60 | 66.93 | 126.12 | 114.47 | 238.86 |
| Other expenses | | 1,165.21 | 982.50 | 783.31 | 2147.71 | 1463.87 | 3131.98 |
| **Total expenses** | 4 | 3446.46 | 2896.08 | 2796.13 | 6342.54 | 5081.68 | 11016.23 |
| Profit before exceptional items and tax(3-4) | 5 | 35.21 | 45.91 | 16.64 | 81.12 | 103.98 | 135.44 |
| Exceptional items | 6 | - | - | - | 0.00 | 0.00 | 0.00 |
| Profit/(loss) before tax (5-6) | 7 | 35.21 | 45.91 | 16.64 | 81.12 | 103.98 | 135.44 |
| Less : Tax expense : | 8 | | | | | | |
| Current Tax | | 2.70 | 3.96 | 2.99 | 6.66 | 12.64 | 17.88 |
| Deferred Tax | | 5.74 | 12.35 | 2.23 | 18.09 | 18.81 | 25.05 |
| | | 26.77 | 29.60 | 11.42 | 56.37 | 72.53 | 92.51 |
| Profit(loss)for the period from continuing operation (7-8) | 9 | | | | | | |
| Profit/(Loss) from discontinued operations | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Tax expense of discontinued operations | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit/(loss) from discontinued operation (after tax) (XII-XIII) | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Profit/(loss) for the period (XV+XVI) | | 26.77 | 29.60 | 11.42 | 56.37 | 72.53 | 92.51 |
| Attributable to | | 26.35 | 28.99 | 11.09 | 55.34 | 63.12 | 79.69 |
| a) Owners of the company | | | | | | | |
| (b) Non-controlling interest | | 0.42 | 0.61 | 0.33 | 1.03 | 9.41 | 12.82 |
| Other Comprehensive Income | | | | | | | |
| A(i) item that will not be reclassified to profit or loss | | | | | | | |
| Equity Instruments through Other Comprehensive income | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (ii) Income tax relating to item that will not be reclassified to profit or loss | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| B(i) item that will be reclassified to profit or loss | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (ii) Income tax relating to item that will not be reclassified to profit or loss | | | | | | | |
| Total Comprehensiv income for the period (XV+XVI) (Comprising profit (loss) and other Comprehensive Income for the period ) | | 26.77 | 29.60 | 11.42 | 56.37 | 72.53 | 92.51 |
| Attributable to | | 26.35 | 28.99 | 11.09 | 55.34 | 63.12 | 79.69 |
| a) Owners of the parent | | | | | | | |
| (b) Non-controlling interests | | 0.42 | 0.61 | 0.33 | 1.03 | 9.41 | 12.82 |
| Of the total comprehensive income above, | | | | | | | |
| **Profit for the year attributable to :** | | | | | | | |
| Owners of the parent | | 26.35 | 28.99 | 11.09 | 55.34 | 63.12 | 79.69 |
| Non-controlling interests | | 0.42 | 0.61 | 0.33 | 1.03 | 9.41 | 12.82 |
| Of the total comprehensive income above, | | | | | | | |
| **Other comprehensive income attributable to :** | | | | | | | |
| Owners of the parent | | - | - | - | - | - | - |
| Non-controlling interests | | - | - | - | - | - | - |
| Paid up Equity Share Capital | | 2579.60 | 2579.60 | 2579.60 | 2579.60 | 2579.60 | 2579.60 |
| Face value per share ₹ 10/- each | | | | | | | |
| Other Equity | | | | | | | 6127.07 |
| Earnings per equity share:(for continued Operation): | | | | | | | |
| (1) Basic | | 0.11 | 0.11 | 0.04 | 0.22 | 0.28 | 0.36 |
| (2) Diluted | | 0.11 | 0.11 | 0.04 | 0.22 | 0.28 | 0.36 |
| Earnings per equity share:(for discontinued Operation): | | | | | | | |
| (1) Basic | | - | - | - | - | - | - |
| (2) Diluted | | - | - | - | - | - | - |
| Earnings per equity share:(for discontinued & continuing | | | | | | | |
| (1) Basic | | 0.11 | 0.11 | 0.04 | 0.22 | 0.28 | 0.36 |
| (2) Diluted | | 0.11 | 0.11 | 0.04 | 0.22 | 0.28 | 0.36 |

Notes :

1.The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 25, 2024. The same have also been subjected to Limited Review by the Statutory Auditors.

2. There is no exceptional item.

3. Segment information as per Ind-AS 108, 'Operating Segments' is disclosed in Annexure -1.

4. This statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5..These consolidated financial results are available on the Company's website viz, www.sahpolymers.com and on the websites of National Stock Exchange Limited(www.nseindia.com) and BSE Limited (www.bseindia.com).

6.The standalone financial results for the quarter and half year ended October 25, 2024 are summarised below and detailed financial results are available on Company's website www.sahpolymers.com and have been submitted to the National Stock Exchnage Limited (www.nseindia.com) and BSE Limited (www.bseindia.com) where the equity shares of the Company are listed.

(₹ in lakhs)

| Particulars | | 3 months ended 30/09/2024 | Preceding 3 months ended 30/06/2024 | Corresponding 3 months ended in the previous year 30/09/2023 | Year to date figures for the current period ended 30/09/2024 | Year to date figures for the current period ended 30/09/2023 | Previous year ended 31/03/2024 |
|---|---|---|---|---|---|---|---|
| | | | | (Unaudited) | | (Unaudited) | |
| Total Income | | 3222.23 | 2431.33 | 2679.46 | 5653.56 | 4685.22 | 10295.44 |
| Profit/(loss) before tax | | 30.68 | 35.22 | 11.95 | 65.90 | 66.94 | 84.18 |
| Profit(loss) for the period after tax | | 25.92 | 28.36 | 10.73 | 54.28 | 53.32 | 66.35 |
| Other Comprehensive Income | | - | - | - | - | - | - |
| Total Comprehensive Income for the period | | 25.92 | 28.36 | 10.73 | 54.28 | 53.32 | 66.35 |

**for SAH POLYMERS LIMITED**

Hakim Sadiq Ali Vahwala
Wholtime Director
DIN: 00119156

Place :Udaipur
Date : October 25, 2024

**SAH POLYMERS LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT**

(₹ in lakhs)

| Sr. No. | Particulars | Half Year ended 30/09/2024 | Half Year ended 30/09/2023 |
|---|---|---|---|
| | | (Unaudited) | (Unaudited) |
| A | **Cash Flow from Operating Activities** | | |
| | Net Profit before tax | 81.12 | 103.97 |
| | Adjustments for: | | |
| | Depreciation | 126.12 | 114.47 |
| | Interest Paid | 162.08 | 147.29 |
| | Interest received | 16.29 | (67.04) |
| | (Profit)/Loss on sale of property, plant and equipment | (0.27) | - |
| | Gratutiy and leave encashment | 18.16 | 18.05 |
| | Unrealised foreign exchange fluctuation | (45.58) | 0.44 |
| | **Operating Profit before working capital changes** | **357.92** | **317.18** |
| | Adjustment for : | | |
| | Inventories | (436.92) | (529.01) |
| | Trade Receivables | (331.18) | (437.56) |
| | Trade payables | 269.97 | 6.35 |
| | Loans | (354.55) | (147.82) |
| | Other financial assets | (9.08) | (5.66) |
| | Other non-current financial assets | 51.11 | (97.76) |
| | Financial liabilities | (0.11) | 0.52 |
| | Other Current liabilities | 209.91 | 197.78 |
| | Increase current tax assets | (5.51) | (1.97) |
| | Non-current assets | (12.39) | (37.15) |
| | Other current assets | (198.28) | 96.29 |
| | **Cash Generated from Operations** | **(459.11)** | **(638.81)** |
| | Less : Income Tax Paid | 18.61 | 18.10 |
| | **Net Cash Inflow /(Out Flow) from Operation (A)** | **(477.72)** | **(656.91)** |
| B | **Cash Flow from Investing Activities:** | | |
| | Purchase of Property, Plant and Equipment | (304.32) | -138.76 |
| | Sale of Property, Plant and Equipment | 0.40 | - |
| | Interest received | (16.29) | 67.04 |
| | Capital work in progress | (168.27) | -71.03 |
| | Fixed deposit matured/release | 539.51 | (786.91) |
| | **Net Cash Inflow/(Outflow) from investing Activities (B)** | **51.03** | **(929.66)** |
| C | **Cash flow from Financing Activities** | | |
| | Repayment of borrowings | (147.88) | (123.81) |
| | Increase in borrowings | - | 171.01 |
| | Dividend | - | (128.98) |
| | Interest Paid | (162.08) | (147.29) |
| | **Net Cash Inflow /(Out Flow) from Financing Activities (C)** | **(309.96)** | **(229.07)** |
| | **Net cash & Cash equivalents (A+B+C)** | **(736.65)** | **(1,815.64)** |
| | As at the beginning of the year | 728.59 | 1,061.34 |
| | Less : Cash Credit | 1,771.11 | 1,123.59 |
| | As at the end of the year | 111.47 | 52.83 |
| | Less : Cash Credit | 1,890.64 | 1,930.72 |
| | **Net cash & Cash equivalents** | (736.65) | (1,815.64) |

**SAH POLYMERS LIMITED**

Regd. Office : E-260-261,Mewar Industrial Area,Madri,Udaipur-313003

CIN:U24201RJ1992PLC006857

Email info@sahpolymers.com website: www.sahpolymers.com

Tel : 0294-2490534 Fax No. 0294-2490534

Disclosure of consolidated assets and liabilities (Balance Sheet) as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (₹ in lakhs)

| Particulars | | As at 30th September,2024 | As at 31st March,2024 |
|---|---|---|---|
| | | (Unaudited) | (Audited ) |
| A | **ASSETS** | | |
| (1) | **Non-current assets** | | |
| | (a) Property,Plant & Equipment | 4979.39 | 4801.05 |
| | (b) Capital work-in-progress | 220.31 | 52.04 |
| | (c ) Goodwill on consolidation | 307.81 | 307.81 |
| | (d) Other Intangible Assets | 1.33 | 1.59 |
| | (e) Financial Assets | | |
| | (i) Investments | 0.00 | 0.00 |
| | (ii) Loans | 0.00 | 1.34 |
| | (iii) Others | 183.83 | 234.94 |
| | (f) Other non-current assets | 18.07 | 5.68 |
| | Total (1) | 5710.74 | 5404.45 |
| (2) | **Current assets** | | |
| | (a) Inventories | 3427.19 | 2990.27 |
| | (b) Financial Assets | | |
| | (i) Investments | - | 0.00 |
| | (ii) Trade receivables | 2,579.97 | 2203.22 |
| | (iii) Cash and cash equivalents | 111.47 | 728.59 |
| | (iv) Bank balances other than (iii) above | 1.17 | 540.68 |
| | (v) Loans | 1,101.80 | 745.91 |
| | (vi) Others | 14.32 | 5.24 |
| | (c) Current Tax Assets (Net) | 18.79 | 13.28 |
| | (d) Other current assets | 716.18 | 517.90 |
| | Total (2) | 7970.89 | 7745.09 |
| | **Total Assets (1+2)** | 13681.63 | 13149.54 |
| | **EQUITY AND LIABILITIES** | | |
| | **Equity** | | |
| | (a) Equity Share Capital | 2579.60 | 2579.60 |
| | (b) Other Equity | 6183.45 | 6127.07 |
| | Total Equity | 8763.05 | 8706.67 |
| | **LIABILITIES** | | |
| (1) | **Non-current liabilities** | | |
| | (a) Financial Liabilities | | |
| | (i) Borrowings | 712.50 | 713.00 |
| | (ia) Lease liabilities | | |
| | (b) Deferred TaxLiabilities (Net) | 189.15 | 181.43 |
| | (c) Other non-current liabilities | - | - |
| | | 901.65 | 894.43 |
| (2) | **Current liabilities** | | |
| | (a) Financial Liabilities | | |
| | (i) Borrowings | 2318.34 | 2346.19 |
| | (ia) Lease liabilities | | |
| | (ii) Trade payables : | | |
| | (A) total outstanding dues of micro enterprises | 0.00 | 0.00 |
| | (B) total outstanding dues of creditors other than | 1170.50 | 882.39 |
| | (iii) Other financial libilities | 2.58 | 2.69 |
| | (b) Other current liabilities | 470.89 | 279.15 |
| | (c ) Provisions | 51.96 | 33.8 |
| | (c) Current Tax Liabilities (Net) | 2.66 | 4.22 |
| | | 4016.93 | 3548.44 |
| | **Total Equity and Liabilities** | 13681.63 | 13149.54 |

**SAH POLYMERS LIMITED** **Annexure -1**

Regd. Office : E-260-261,Mewar Industrial Area,Madri,Udaipur -313003
CIN:U2420|RJ1992PLC006657
Email: info@sahpolymers.com website: www.sahpolymers.com
Tel : 0294-2490534 Fax No. 0294-2490534

**Consolidated Segment-wise Unaudited Revenue, Results and Capital Employed for the quarter and half year ended 30th September, 2024**

(₹ in lakhs)

| Particulars | 3 months ended 30/09/2024 | Preceding 3 months ended 30/06/2024 | Corresponding 3 months ended in the previous year 30/09/2023 | Year to date figures for the current period ended 30/09/2024 | Year to date figures for the previous period ended 30/09/2023 | Previous year ended 31/03/2024 |
|---|---|---|---|---|---|---|
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| **Segment Revenue** | | | | | | |
| Manufacturing -Flexible Packaging | 3226.64 | 2805.02 | 2627.71 | 6031.66 | 4907.39 | 9,913.36 |
| Trading | 135.93 | 83.65 | 99.54 | 219.58 | 127.04 | 910.97 |
| Financing | 28.29 | 22.16 | 26.83 | 50.45 | 48.85 | 94.53 |
| Total | 3390.86 | 2910.83 | 2754.08 | 6301.69 | 5083.28 | 10,918.86 |
| Other Income | 90.81 | 31.16 | 48.69 | 121.97 | 102.38 | 232.81 |
| Total Revenue | **3481.67** | **2941.99** | **2802.77** | **6423.66** | **5185.66** | **11151.67** |
| | | | | | | |
| **Segment results** | | | | | | |
| Manufacturing -Flexible Packaging | -70.4 | (11.55) | (52.69) | (81.95) | (35.54) | -216.16 |
| Trading | -5.77 | 11.69 | 2.21 | 5.92 | 3.99 | 55.17 |
| Financing | 20.57 | 14.61 | 18.43 | 35.18 | 33.15 | 63.62 |
| **Total Segment Results** | **-55.60** | **14.75** | **-32.05** | **-40.85** | **1.60** | **-97.37** |
| Other Income | 90.81 | 31.16 | 48.69 | 121.97 | 102.38 | 232.81 |
| Profit before tax | 35.21 | 45.91 | 16.64 | 81.12 | 103.98 | 135.44 |
| Provision for tax | 8.44 | 16.21 | 5.22 | 24.75 | 31.45 | 42.93 |
| Profit after tax | **26.77** | **29.69** | **11.42** | **56.37** | **72.53** | **92.51** |
| | | | | | | |
| **Segment Assets** | | | | | | |
| Manufacturing -Flexible Packaging | 12,567.57 | 12,591.51 | 12,645.66 | 12,567.57 | 12,645.66 | 12,397.05 |
| Trading | - | - | - | - | - | - |
| Financing | 1,114.06 | 904.10 | 990.52 | 1,114.06 | 990.52 | 752.49 |
| Total | **13,681.63** | **13495.61** | **13636.18** | **13681.63** | **13,636.18** | **13,149.54** |
| | | | | | | |
| **Segment Liabilities** | | | | | | |
| Manufacturing -Flexible Packaging | 4,624.94 | 4,457.64 | 4,754.69 | 4,624.94 | 4,754.69 | 3,955.83 |
| Trading | - | 4.48 | - | - | - | 187.35 |
| Financing | 293.64 | 297.21 | 193.35 | 293.64 | 193.35 | 299.69 |
| Total | **4,918.58** | **4759.33** | **4948.04** | **4918.58** | **4,948.04** | **4,442.87** |
| **Capital Employed** | 8,763.05 | 8736.28 | 8688.14 | 8763.05 | 8,688.14 | 8,706.67 |
| | | | | | | |

Place :Udaipur
Date : October 25, 2024

# SAH POLYMERS LIMITED

www.sahpolymers.com CIN : U24201RJ1992PLC006657

To,

Date: 27.11.2023

The Manager,
Listing Department,
National Stock Exchange Limited,
'Exchange Plaza', C-1, Block-G
Bandra Kurla Complex
Bandra (E),
Mumbai-400051.
Scrip Code: SAH

The Secretary,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001.
Scrip code: 543743

Dear Sir/madam,

**Sub:** Complaints Report for the Period from 03.11.2023 to 23.11.2023( For 21 days )

**Ref: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the proposed Scheme of Amalgamation.**

Based on the SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 June 20, 2023 Complaint report as per format of SEBI Master Circular (To be submitted within 7 days of expiry of 21 days from the date of uploading of Draft Scheme and related documents on Exchange's website, we hereby submit the complaint report as follows:

**Part A**

| Sr. No. | Particulars | Number |
|---|---|---|
| 1. | Number of complaints received directly | **NIL** |
| 2. | Number of complaints forwarded by Stock Exchanges/ SEBI | **NIL** |
| 3. | Total Number of complaints/comments received (1+2) | **NIL** |
| 4. | Number of complaints resolved | **NIL** |
| 5. | Number of complaints pending | **NIL** |

**Part B**

| Sr. No. | Name of complainant | Date of complaint | Status (Resolved/Pending) |
|---|---|---|---|
| | NA | NA | NA |

Thanking you.
Yours faithfully,
**For SAH POLYMERS LIMITED**

**Hakim Sadiq Ali Tidiwala**
**(Whole Time Director)**
**DIN: 00119156**

SAH POLYMERS LTD. * UDAIPUR *

# SAH POLYMERS LIMITED

www.sahpolymers.com CIN : L24201RJ1992PLC006657

Ref: SEBI/37735 /01

July 5, 2024

To,
Srishti Sushant Ambokar
Deputy General Manager
Securities Exchange Board of India
C-7, 'G' Block
Bandra Kurla Complex
Bandra (E), -Mumbai – 400051

**Subject:** Reply in respect of Application filled under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for scheme of Amalgamation.

Dear Madam,

We submit the clarification as desired in respect of above mentioned subject as under:

**Proposed Amalgamation of Fibcorp Polyweave Private Limited with and into Sah Polymers Limited**

Classification of proposed holding of Mr. Murtaza Moti and Mrs. Fatima Moti as public holding because of the following:

Mr. Murtaza Ali Moti founded Fibcorp Polyweave Private Limited ('Fibcorp') in 31st July, 2017. Prior to that he has more than 11 years of professional working experience in India and the Middle East. Sah Polymers Limited (SPL) took a majority stake in 'Fibcorp' in 5TH January, 2022 as a strategic investment for expanding the business. In order to professionalize the management, Sat Industries Limited appointed Mr. Murtaza Ali Moti as a Chief Executive Officer of Sah Polymers Limited (SPL) with effect from 04.01.2022 and then promoted him to Whole time Director with effect from 01.04.2023. Mr. Murtaza Ali Moti looks after the day to day affairs of the Company in his professional capacity under the oversight and guidance of Sat Industries Limited.

Neither Mr. Murtaza nor Mrs. Fatima either individually or collectively, directly or indirectly has/have any holding in the share capital of Sah Polymers Limited (SPL). They do not have any directorship or holdings either individually or collectively, directly or indirectly in Sat Industries Limited (SIL) which is the Promoter company of Sah Polymers Limited. Also, they do not have any directorship or holding either individually or collectively, directly or indirectly in Sat Invest Private Limited (SIPL) and Alex Invest Private Limited (AIPL) which are the promoter companies of Sat Industries Limited. They do not have any directorship or holding either individually or collectively, directly or indirectly in any of the other group companies of Sat Industries Limited (SIL). Mr. Murtaza and Ms. Fatima have no control or rights or any decision-making power in Sat Industries Limited or its group companies.

Further Mr. Murtaza Ali Moti or Mrs. Fatima Moti are not related under any manner to any of the directors of SPL or SIL or any of its other group companies.

Furthermore, the Significant Beneficial Owners (SBO) of Sat Industries Limited (SIL) are Mr. Asad Daud and Ms. Shehnaz D Ali. Mr. Asad and Ms. Shehnaz are in charge of the overall affairs of all the businesses under the Sat Industries Group. Mr. Murtaza Ali Moti and Ms. Fatima Moti are in no manner whatsoever related to them.

SIL is a large business house and engaged in multiple business such flexible packaging, Flexible flow solution, finance, trading etc. either on its own or through its subsidiaries. Mr.

AN ISO 9001:2015
Reg. No. RQ91/7969

*Regd. Office & Factory :*
*E 260-261, Mewar Industrial Area, Madri, Udaipur-313003 (Rajasthan)*
*Tel : 0294-2490242, 9983349242, Tele/Fax : 0294-2490534*
*E-mail : info@sahpolymers.com*

SAH POLYMERS LTD. UDAIPUR

Murtaza Ali Moti looks after the day to day affairs of only the flexible packaging business and not any other business verticals of Sat Industries Limited.

Consequent upon the proposed amalgamation, the collective shareholding of Mr. Murtaza and Ms. Fatima in Sah Polymers Limited (SPL) will be around 5.87% being very meagre and insignificant in comparison to the holding of Sat Industries Limited who is the Promoter of Sah Polymers Limited. Thus, it would be inappropriate to consider Mr. Murtaza as the Promoter of Sah Polymers Limited since he is managing the day to day affairs in his professional capacity with a very small stake in the Company.

Based upon the above averments, the proposed shareholding of Mr. Murtaza Ali Moti and Mrs. Fatima Moti have been classified as **PUBLIC SHARE HOLDING AND CANNOT PARTAKE THE STATUS OF PROMOTER SHAREHOLDING.**

Should you require any other information etc. please let us know we would submit the same at the earliest.

Thanking you,

Yours faithfully,
For SAH POLYMERS LIMITED

Hakim Sadiq Ali Tidiwala
Whole-time Director
DIN:00119156

SAH POLYMERS LTD. UDAIPUR

CC to:
Shiwani Mundhra
Deputy Manager - Listing Approvals
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), -Mumbai – 400 051

# IN THE NATIONAL COMPANY LAW TRIBUNAL
# AT JAIPUR

*CA (CAA) No. 07/230-232/JPR/2024*

**M/S FIBCORP POLYWEAVE PRIVATE LIMITED**
**(Applicant Company 1/ Transferor Company)**
**AND**
**M/S SAH POLYMERS LIMITED**
**(Applicant Company 2/ Transferee Company)**

***Date:11.11.2024***

**SPEAKING TO MINUTES ORDER-IN-CHAMBERS**

An order in *CA (CAA) No. 07/230-232/JPR/2024* was pronounced on 06.11.2024 and was uploaded on the website. However, on perusal of the order dated 06.11.2024, it is noted that some typographical error occurred in the order wherein in Para 12.6 'Video Conference and other Audio Visual means ('VC & OAVM')' has been mentioned instead of 'physical means'. Further, in Para 13.6, '30.09.2023' has been mentioned inadvertently instead of '30.09.2024', and in Para 13.4 of the Order the words 'the aforesaid meeting of the Unsecured Creditors of the Transferee Company' have been mentioned instead of 'the aforesaid meetings of the Applicant Companies'. Hence, by taking the suo-moto action under Rule 154 of the National Company Law Tribunal Rules, 2016, the aforesaid corrections are made i.e. the term Video Conference and other Audio Visual means ('VC & OAVM') shall be read as physical means in Para 12.6; 30.09.2023 in Para 13.6 shall be read as 30.09.2024; and in Para 13.4 'the aforesaid meeting of the Unsecured Creditors of the Transferee Company' shall be read as 'the aforesaid meetings of the Applicant Companies'. Further, any reference in para 13 of the Order pertaining to the meeting of the unsecured creditors of the Transferor Company shall be read as a reference to the meeting conducted via physical means instead of Video Conference and other Audio Visual means ('VC & OAVM'). This order be uploaded and send by the Registry along with the main order.

Sd/-

(Velamur G. Venkata Chalapathy)
Technical Member

Sd/-

(Deep Chandra Joshi)
Judicial Member

# IN THE NATIONAL COMPANY LAW TRIBUNAL AT JAIPUR

**CORAM:** **SHRI DEEP CHANDRA JOSHI,**
**HON'BLE JUDICIAL MEMBER**

**SHRI VELAMUR G. VENKATA CHALAPATHY,**
**HON'BLE TECHNICAL MEMBER**

***CA (CAA) No. 07/230-232/JPR/2024***

*Section: Section 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.*

***IN THE MATTER OF SCHEME OF AMALGAMATION OF***

**M/S FIBCORP POLYWEAVE PRIVATE LIMITED**
**(Applicant Company 1/ Transferor Company)**

**AND**

**M/S SAH POLYMERS LIMITED**
**(Applicant Company 2/ Transferee Company)**

***MEMO OF PARTIES***

**M/S Fibcorp Polyweave Private Limited**
CIN: U17309RJ2017PTC058691
R/o: E 260-261, Mewar Industrial area Madri, Udaipur- 313003, Rajasthan.

**...Applicant Company 1/ Transferee Company**

**AND**

**M/S Sah Polymers Limited**
CIN: L24201RJ1992PLC006657
R/o: at E260-261, Mewar Industrial Area Madri, Udaipur-313003, Rajasthan

**...Applicant Company 2/ Transferor Company**

**COUNSEL FOR THE APPLICANT(S):** Tarun Jain, PCS

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**Order Pronounced on: 06.11.2024**

## ORDER

**Per: Shri Velamur G. Venkata Chalapathy, Technical Member**

1. This joint application is filed by the Applicant Companies herein, namely *M/s Fibcorp Polyweave Pvt. Ltd.* ('Transferor Company'/ 'Applicant Company 1') and *M/s Sah Polymers Limited* ('Transferee Company'/ 'Applicant Company 2') under Sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ('Rules') in relation to the Scheme of Compromise and /or Arrangement by way of Amalgamation ('Scheme') proposed between the Applicants. The said Scheme is submitted along with the Application.

2. The Applicants have preferred the instant Application in effect for the following reliefs:

   a) *Appropriate orders/ directions for convening, holding and conducting meeting of equity shareholders through audio-visual means, of the Transferee Company/ Applicant Company No. 2 to consider and approve the Scheme of Amalgamation.*
   b) *Appropriate orders/directions for dispensing with the requirement of convening, holding and conducting meeting of Secured Creditors of the Transferee Company/ Applicant Company No. 2 and to dispense with the requirement of issue and publication of notices for the same (as consent for the scheme in form of the Affidavits is received from 98.85% of the total value of Secured Creditors).*

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c) *Appropriate orders/directions for convening, holding and conducting meeting of unsecured creditors through audio-visual means of the Transferee Company/ Applicant Company No. 2 to consider and approve the Scheme of Amalgamation.*

d) *Appropriate orders/ directions for dispensing with the requirement of convening, holding and conducting meeting of equity shareholders of the Transferor Company No. 1/ Applicant Company No. 1 and to dispense with the requirement of issue and publication of notices for the same (as consent affidavit from all Equity shareholders has been obtained).*

e) *Appropriate orders/ directions for dispensing with the requirement of convening, holding and conducting meeting of Secured Creditors of the Transferor Company No. 1/ Applicant Company No. 1 and to dispense with the requirement of issue and publication of notices for the same (as consent for the scheme in form of Affidavits has been obtained from all the Secured Creditors).*

f) *Appropriate orders/ directions for convening, holding and conducting meeting of unsecured creditors physically, of the Transferor Company No. 1/ Applicant Company No. 1 to consider and approve the Scheme of Amalgamation.*

g) *Appropriate orders/ directions for the publication of advertisement of notice of aforesaid meeting in the newspapers.*

h) *Appropriate orders/directions for serving of notice to the Regional Directors (North Western Region), Registrar of Companies (Jaipur), official Liquidator (Jaipur), Jurisdictional Assessing Officer (Income Tax), SEBI, BSE Limited and National Stock Exchange of India Limited,*

i) *Appropriate orders/directions for fixing the time period within which the Chairperson shall report the result of aforesaid meeting to this Hon'ble Tribunal;*

3. An affidavit in support of the Petition sworn for and on behalf of the Transferee Company by one *Mr. Hakim Sadiq Ali* and sworn for and on

behalf of the Transferor Company by one *Miss Fatima Moti* has been filed, being the authorized representative of Applicant Companies along with this Application. Counsel for the Applicants has drawn the attention of this Tribunal to the averments made in the Application as well as the set of documents annexed therewith. It is further represented that the joint Application filed by the Applicants is maintainable in view of Rule 3(2) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and it is also represented that the Registered Office of all the Applicant Companies are situated within the territorial jurisdiction of Jaipur Bench of this Tribunal and falling within the purview of Registrar of Companies, Jaipur.

4. It has been submitted that the Applicant Company 1/Transferor Company namely, *M/s Fibcorp Polyweave Pvt. Ltd.* is a Private Limited Company incorporated under the provisions of the Companies Act, 2013 on 31.07.2017. The Applicant Company 2/Transferee Company namely, *M/s Sah Polymers Limited* is a Public Limited Company incorporated under the provisions of the Companies Act, 1956 on 20.04.1992 under the name and style of *Peacock Continental Limited.*

5. Perusal of the Application filed by the Applicant Companies indicates the details of the capital structure of the Applicant Companies which is tabulated below for reference:

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| *Sr. No.* | *Name of the Company* | *Authorized Share Capital* | *Issued, paid up and Subscribed Share Capital* |
|---|---|---|---|
| 1. | *M/s Fibcorp Polyweave Pvt. Ltd.* (Transferor Company) | Rs. 72,00,000/- divided into 72,000 Equity Shares of INR 100/-each | Rs. 66,43,000/- divided into 66,430 Equity Shares of INR 100/-each |
| 2. | *M/s Sah Polymers Limited* (Transferee Company) | Rs. 30,00,00,000/- divided into 3,00,00,000 Equity Shares of INR 10/- each | Rs. 25,79,60,000/- divided into 2,57,96,000 Equity Shares of INR 10/-each |

6. The Applicant Companies have also filed respective Memorandum and Articles of Association of both the Companies, inter alia delineating their object clauses annexed with the Petition as Annexure I and Annexure II of the Application. The Applicant Companies have filed Copies of the Audited Financial Statements for the year ending 31.03.2024.

7. The Board of Directors of the Applicant Companies have approved the Scheme of Amalgamation; certified true copy of the Board meetings has been annexed as Annexure V and XI of the Petition.

8. As per the terms of the Scheme, upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up without any further act or deed. Further, the shares of the Transferor Company held by the Transferee Company shall be extinguished or shall be deemed to be

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extinguished and all such shares shall be cancelled without any further application, act or deed. Moreover, the Transferee Company shall without any further application, act or instrument or deed, issue and allot to all the Equity Shareholders of the Transferor Company fully paid up Equity Shares in the following share exchange ratio: -

*"494 (Four Hundred Ninety Four) Equity Shares of INR 10/- each credited as fully paid-up of the Transferee Company for every 10 (Ten) Equity Share of INR 100/- each fully paid-up held by such Equity Shareholder in the Transferor Company."*

9. It has been mentioned that no investigation or proceedings under the Companies Act, 2013/1956 are pending against the Applicant Companies. Further, the Applicant Companies have complied with the proviso to Section 230 (7) and Section 232 (3) by filing the certificate of the company's auditor in relation to compliance with the Accounting Standards under Section 133 of the Companies Act, 2013.

10. In relation to the Transferee Company and the Transferor Companies, the details of their Shareholders and Secured and Unsecured Creditors are tabulated as below:

| | ***Transferor Company*** | ***Transferee Company*** |
|---|---|---|
| ***Equity Shareholders*** | 3 | 7502 |
| ***Secured Creditors*** | 1 | 2 |
| ***Unsecured Creditors*** | 97 | 235 |

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11. In relation to the Transferor Company, it is represented that the Company has 3 Equity Shareholders as on 30.06.2024. Also, the Company has 1 Secured Creditors whereas the count of Unsecured Creditors lies at 97. Similarly, the Transferee Company has 7502 Equity Shareholders, 2 Secured Creditors and 235 Unsecured Creditors as on 30.06.2024.

12. Taking into consideration the Application filed by the Applicant Companies and the documents filed therewith, this Tribunal proposes and hereby issues the following directions with respect to calling, convening and holding of the meetings of the Equity Shareholders, Preference Shareholders, Secured and Unsecured Creditors or dispensing with the same as well as issue of notices, including by way of paper publication, as follows:

**In relation to Applicant Transferee Company -**

12.1. ***With respect to Equity Shareholders:***

Since it is represented that there are 7502 (Seven Thousand Five Hundred and Two) Equity Shareholders in the Transferee Company, and it is seen that the Applicants have sought directions from this Tribunal to convene and hold meeting of its shareholders. Therefore, this Tribunal is of the view that a meeting of the Equity Shareholders of the Applicant Transferee Company is required to be held within 60 days from the date passing of this order through Video Conference and other Audio Visual means ('VC & OAVM') subject

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to notice of the meeting being issued through post, courier or email ids registered with the Applicant Company.

12.2. ***With respect to Secured Creditors:***

Since it is represented that there are 2 (Two) Secured Creditors in the Transferee Company and it is seen that the consent affidavit of one of the Secured Creditor having 98.85% share in the secured debt has been placed on record as Annexure- XIII at Page No. 362-366 of the Petition, therefore the necessity of convening and holding a meeting to consider the approval of the Scheme is dispensed with.

12.3. ***With respect to Unsecured Creditors:***

Since it is represented that there are 235 (Two Hundred and Thirty-Five) Unsecured Creditors in the Transferee Company, and it is seen that the Applicants have sought directions from this Tribunal to convene and hold meeting of its unsecured creditors. Therefore, this Tribunal is of the view that a meeting of the Unsecured Creditors of the Applicant Transferee Company is required to be held within 60 days from the date passing of this order through Video Conference and other Audio Visual means ('VC & OAVM') subject to notice of the meeting being issued through post, courier or email ids registered with the Applicant Company.

**<u>In relation to Applicant Transferor Company -</u>**

12.4. ***With respect to Equity Shareholders:***

Since it is represented that there are 3 (Three) Equity Shareholders in the Transferor Company, and it is seen that their consent affidavits have been placed on record as Annexure – VI, therefore, the necessity of convening and holding a meeting to consider the approval of the Scheme is dispensed with.

12.5. ***With respect to Secured Creditors:***

Since it is represented that there is 1 (One) Secured Creditor in the Transferor Company, and it is seen that the consent affidavits has been placed on record at Page 260-264 of the Petition, therefore, the necessity of convening and holding a meeting to consider the approval of the Scheme is dispensed with.

12.6. ***With respect to Unsecured Creditors:***

Since it is represented that there are 97 (Ninety-Seven) Unsecured Creditors in the Transferor Company, and it is seen that the Applicants have sought directions from this Tribunal to convene and hold meeting of the unsecured creditors. Therefore, this Tribunal is of the view that a meeting of the unsecured creditors of the Applicant Transferor Company is required to be held within 60 days from the date passing of this order through Video Conference and other Audio Visual means ('VC & OAVM') subject to notice of the meeting being issued through post, courier or email ids registered with the Applicant Company.

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13. ***Directions for Meetings to be held are issued as under: -***

Considering the prevalent norms, the above-stated meetings of the Applicant Companies shall be called, convened and conducted through VC & OAVM, subject to the notice of the meeting being issued through post/courier/e-mail, as specified below:

13.1. Holding the meetings and conclusion of the voting of the Unsecured Creditors and Equity Shareholders of the Transferee Company, and the Unsecured Creditors of the Transferor Company shall be done through VC & OAVM, within sixty days of passing of this Order, following the Companies Act, 2013, and applicable Rules & Guidelines. The quorum of the meeting of the Equity Shareholders and Unsecured Creditors shall be 33% in value.

13.2. In case the quorum as noted above for the aforesaid meetings is not present at the specified time, then the meeting shall be adjourned by half an hour, and thereafter the persons present and voting, including authorized representatives, shall be deemed to constitute the quorum. The Scrutinizer is duty bound to record all proceedings of the meeting conducted through VC & OAVM. However, every endeavor shall be made by the Applicant Companies to attain at least the quorum fixed, if not more, in relation to approval of the Scheme.

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13.3. Mr. Anurag Kalavatiya (Mobile No. +91 9828295553, e-mail id: anurag@amicuslegal.in), is appointed as the Chairperson; and Mr. Vikram Saraf, (Mobile No. +91 9829399925, e-mail id: vksaraf679@gmail.com) is appointed as the Scrutinizer for meeting of the Applicant Companies through VC & OAVM, which are accordingly directed by this Tribunal to be called, convened, conducted and concluded.

13.4. The honorarium of the Chairperson for the aforesaid meeting of the Unsecured Creditors of the Transferee Company shall be Rs. 1,00,000/- and the honorarium of the Scrutinizer shall be Rs. 75,000/-, in addition to re-imbursement of their incidental and out of pocket expenses. The Chairperson / Alternate Chairperson and Scrutinizer will file their report within a week of conclusion of the meetings. They shall be fully assisted by the authorized representative / Company Secretary and other relevant staff of the Applicant Companies.

13.5. Individual notice(s) of the above said meeting shall be sent by the Applicant Companies to the Unsecured Creditors and Equity Shareholders of the Transferee Company, and the Unsecured Creditors of the Transferor Company through registered post or speed post or courier or e-mail, 30 days in advance before the scheduled date of meeting, indicating the day, date, time and link to

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meeting through VC & OAVM as aforesaid, together with a copy of the Scheme, copy of explanatory statement required to be sent along with any other documents as prescribed under the Companies Act, 2013, and Rules / Guidelines thereunder and also any information / document as specified in this order which shall also be duly sent with the notice.

13.6. It is further directed that along with the notice, the Applicant Companies shall also send statement(s) explaining the effect of the Scheme on the creditors, key managerial personnel, promoters and non-promoter members, etc. along with effect of the arrangement for amalgamation on any material interests of the Directors of the Company, as provided under sub- section 3 of Section 230 of the Act. Further, the Applicant Companies shall prepare provisional statement of accounts as on 30.09.2023 and ensure that the same is presented in the meeting and at least a summary thereof is circulated in advance and the creditors be considered accordingly.

13.7. The Applicant Companies shall publish advertisement, indicating the day, date, time and link of the meeting to be conducted through VC & OAVM as aforesaid, with a gap of at least 30 clear days before the holding of the meeting through VC & OAVM, to be published in two leading daily Newspapers with large circulation in the area, in English and in vernacular, stating that the copies of

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Scheme and the Explanatory Statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 shall be available and provided free of charge at the registered office of the Applicant Companies to eligible persons. The Applicant Companies shall also publish the notice on its website, if any.

13.8. The Applicant Companies shall send notice individually and in compliance of sub-section (5) of Section 230 and Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in Form No. CAA 3 along with a copy of the Scheme, the Explanatory Statement and the disclosures mentioned in Rule 6 of the Rules to the Income Tax Authorities (indicating the respective PAN Nos.), ROC and Official Liquidator concerned, Regional Director - MCA (North Western Region), RBI, SEBI, BSE and National Stock Exchange as well as other sectoral regulators or authorities, if applicable, as an advance notice for their representation / observation, if any. The Applicant Company shall file affidavit regarding sectoral regulators that may be concerned and include a specific prayer with respect to notices to relevant regulators and authorities also at the stage of second motion. In case the Scheme is exempted under the Competition Act, 2002, an affidavit to this effect shall be given. Otherwise, notice to Competition Commission of India may also be issued.

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13.9. The Applicant Companies shall further furnish copy of the Scheme free of charge within 1 day of any requisition for the Scheme made by any Unsecured Creditors and Equity Shareholders of the Transferee Company, and the Unsecured Creditors of the Transferor Company entitled to vote as aforesaid.

13.10. The authorized representative of the Applicant Companies shall furnish an affidavit of service of notice of meeting and publication of advertisement and compliance of all directions contained herein at least a week before the proposed meeting.

13.11. All the aforesaid directions are to be complied with strictly in accordance with the applicable law, including forms and formats contained in the Companies (Companies, Arrangements, Amalgamations) Rules, 2016, as well as the provisions of the Companies Act, 2013.

20. This Application bearing CA (CAA) No. 07/230-232/JPR/2024 stands allowed subject to the foregoing terms.

21. Copy of this order be provided to the Applicant Companies and the designated Chairperson and Scrutinizer.

Sd/-

**DEEP CHANDRA JOSHI**
**JUDICIAL MEMBER**

Sd/-

**VELAMUR G. VENKATA CHALAPATHY,**
**TECHNICAL MEMBER**